

# Alameda County Economic Forecast

Alameda and Contra Costa Counties define the Oakland Metropolitan Statistical Area (MSA) that is frequently used to report economic activity. The region currently has a population of 2.5 million residents. Total employment as of May 2003 stood at 1.04 million wage and salary workers. The creation of jobs turned negative in 2002, falling 1.2 percent after advancing one percent in 2001.

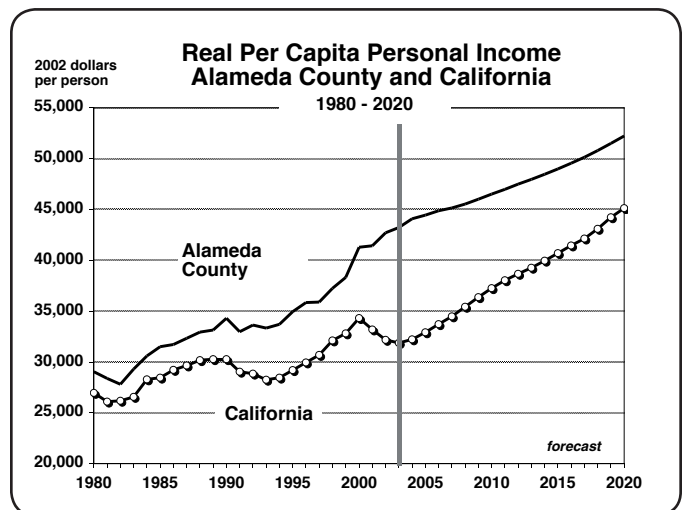
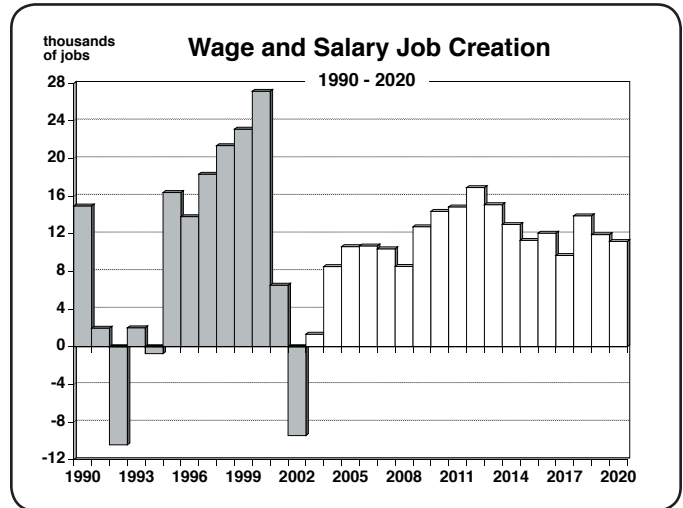
The County of Alameda dominates the MSA with 61 percent of the population, and 68 percent of the wage and salary jobs. The unemployment rate as of May 2003 was 6.2 percent, up sharply from the 2.8 percent recorded in early 2001.

Dublin and Livermore are the fastest growing cities in the county. Population growth is quite tame elsewhere, especially in Berkeley and Alameda. The population of Alameda County was 1.5 million, as of January 2003.

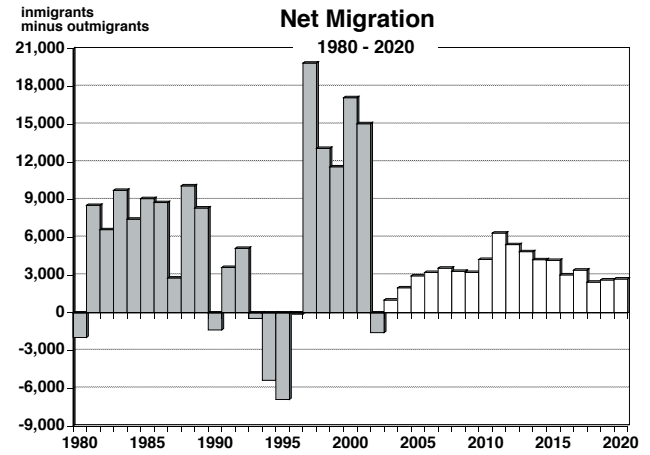
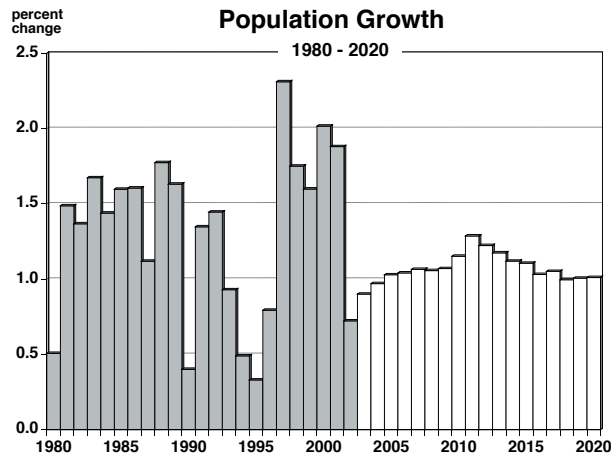
New housing production in Alameda County picked up in 2002, but the rate of new building is still inadequate for the growth of population. Increased residential growth in the future is tenuous, because land-use constraints will limit the production of housing. Furthermore, affordability of housing has become a critical issue in both Alameda and Contra Costa Counties. The general outlook for the production of housing calls for approximately 3,800 to 4,000 units per year. The median home selling price in the county was \$452,100 in 2002. Home prices are forecast to rise an average of 3.0 percent per year, adjusted for inflation.

## Forecast Highlights

- Only very modest job growth is forecast for 2003. In 2004, non-farm employment growth rises to 1.2 percent, and 1.5 percent in 2005. The compound rate of job growth averages 1.4 percent between 2003 and 2008. This compares to 3.1 percent average annual growth recorded over the 1995-2000 Internet boom period.
- Real per capita incomes rise an average of 1.4 percent per year over the next 5 years in Alameda County. Between 2010 and 2020, real per capita income grows at an average 1.2 percent rate. Income growth is limited by the slower job growth in the county over the entire forecast horizon.
- Real retail sales rise an average of 2.0 percent per year between 2003 and 2008. The average salary per worker increases 1.3 percent per year, adjusted for inflation.



- Population growth is forecast to slow to 1.2 percent growth over the next 5 years. The increment to population from net migration into Alameda County will increase over the forecast period. Net migration occurs because the local economy will move gradually towards full employment, and new job opportunities in the county must attract non-resident workers to fill them.
- The services sector will remain the engine of growth in Alameda County. Manufacturing will continue to consolidate. Financial activities will increase the demand for jobs, and more employment in education will be needed to accommodate an increase in the school age population.

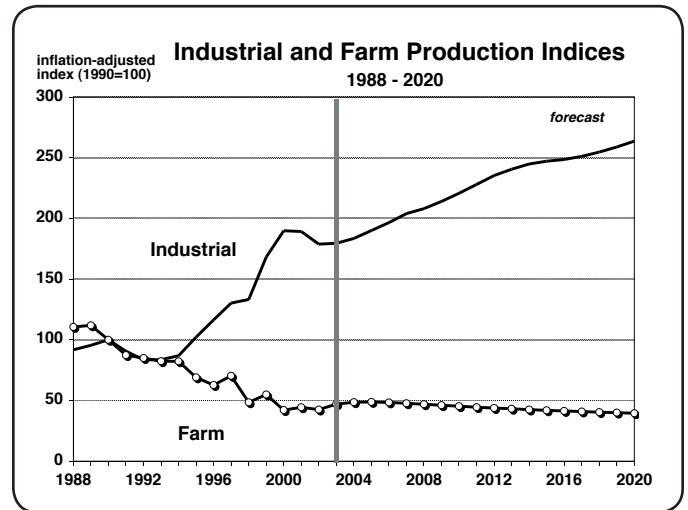
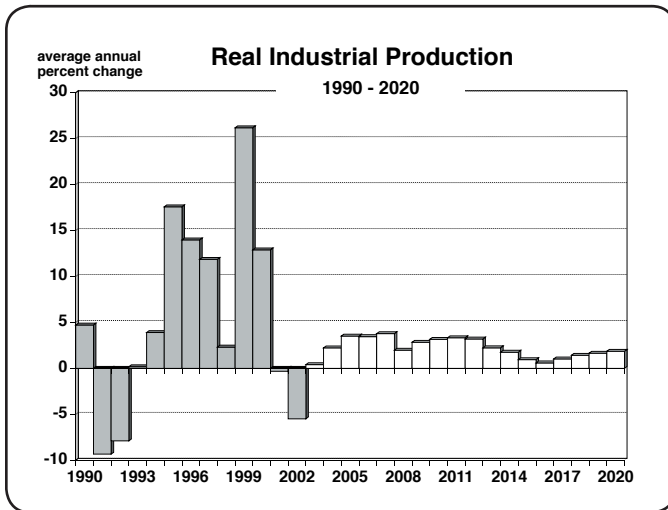


## Alameda County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,335,100	-6,886	1,035	489.8	2,950	\$8.9	\$36.6	\$34,948	\$44.0	\$19
1996	1,345,700	-96	1,055	492.9	3,898	\$9.5	\$38.8	\$35,848	\$40.9	\$22
1997	1,376,800	19,874	1,019	495.6	6,500	\$10.2	\$41.1	\$35,894	\$47.4	\$24
1998	1,400,900	13,090	1,101	498.9	5,897	\$10.7	\$44.7	\$37,238	\$33.8	\$25
1999	1,423,300	11,626	1,123	504.4	4,512	\$11.9	\$48.7	\$38,318	\$39.9	\$31
2000	1,452,000	17,121	1,176	522.4	4,208	\$13.9	\$56.0	\$41,287	\$31.9	\$35
2001	1,479,300	15,051	1,189	527.1	3,135	\$13.7	\$60.3	\$41,430	\$35.5	\$35
2002	1,490,000	-1,565	1,227	530.1	3,527	\$13.2	\$63.6	\$42,705	\$34.5	\$33
2003	1,503,421	1,031	1,232	530.5	3,521	\$13.6	\$66.6	\$43,225	\$39.2	\$33
2004	1,518,011	2,002	1,234	534.4	3,717	\$14.4	\$70.5	\$44,084	\$41.6	\$34
2005	1,533,636	2,955	1,243	538.4	4,186	\$15.2	\$73.8	\$44,436	\$42.9	\$35
2006	1,549,614	3,222	1,255	542.7	4,312	\$15.9	\$77.4	\$44,874	\$43.7	\$37
2007	1,566,121	3,565	1,269	547.2	4,191	\$16.6	\$80.7	\$45,141	\$44.2	\$38
2008	1,582,678	3,311	1,285	551.5	4,164	\$17.2	\$84.4	\$45,524	\$44.6	\$39
2009	1,599,616	3,225	1,303	555.7	4,290	\$18.1	\$88.5	\$46,012	\$45.0	\$40
2010	1,618,047	4,258	1,322	559.9	4,372	\$18.9	\$93.0	\$46,509	\$45.4	\$41
2011	1,638,872	6,354	1,345	564.2	4,508	\$19.9	\$97.9	\$46,978	\$46.0	\$43
2012	1,658,920	5,433	1,369	568.5	4,565	\$20.8	\$103.0	\$47,486	\$46.5	\$44
2013	1,678,415	4,875	1,392	572.8	4,429	\$21.7	\$108.4	\$47,963	\$47.1	\$45
2014	1,697,206	4,235	1,413	577.0	4,273	\$22.4	\$113.8	\$48,462	\$47.7	\$46
2015	1,715,974	4,184	1,433	581.2	4,233	\$23.3	\$119.5	\$48,984	\$48.4	\$46
2016	1,733,668	3,032	1,452	585.4	4,186	\$24.3	\$125.5	\$49,553	\$49.1	\$46
2017	1,751,905	3,407	1,471	589.6	4,223	\$25.3	\$132.1	\$50,133	\$49.9	\$47
2018	1,769,366	2,449	1,491	593.8	4,186	\$26.5	\$139.0	\$50,788	\$50.7	\$47
2019	1,787,175	2,623	1,510	598.1	4,194	\$27.7	\$146.3	\$51,492	\$51.5	\$48
2020	1,805,242	2,701	1,529	602.3	4,237	\$28.9	\$153.8	\$52,229	\$52.3	\$49



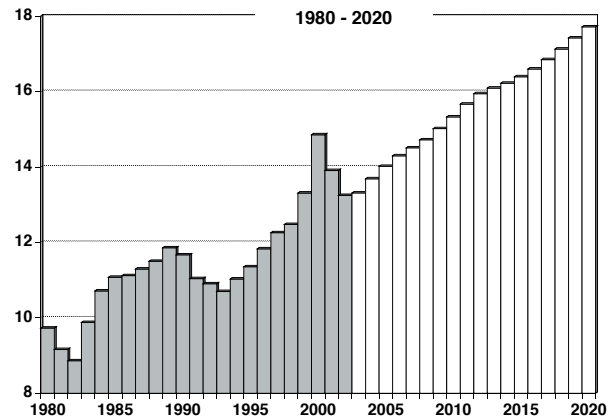


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
607.0	1.2	25.8	81.5	38.0	138.7	26.2	170.9	124.7
620.8	1.1	28.3	88.7	38.7	139.9	26.2	175.2	122.8
639.1	1.0	30.0	94.1	40.5	143.6	26.6	181.0	122.3
660.5	1.0	32.8	95.8	42.4	150.1	27.3	187.9	123.3
683.6	0.9	36.6	93.2	43.4	158.5	28.5	196.6	125.8
710.8	0.8	39.4	97.8	43.4	161.4	29.4	210.2	128.4
717.4	0.9	41.9	95.6	43.3	163.9	29.0	213.6	129.2
707.9	0.9	40.4	85.6	41.6	164.8	29.2	212.9	132.5
709.3	0.9	39.9	84.8	41.7	165.6	29.5	214.3	132.7
717.8	0.8	40.1	85.3	41.8	166.4	29.6	220.3	133.7
728.4	0.8	40.7	85.4	41.8	167.8	29.9	227.2	134.8
739.2	0.8	41.7	84.8	42.0	168.8	30.5	234.7	136.0
749.6	0.8	42.7	84.0	42.1	169.3	31.1	242.1	137.5
758.1	0.8	43.5	83.1	42.3	170.2	31.9	247.2	139.1
770.9	0.7	44.2	82.1	42.5	172.4	32.6	255.6	140.8
785.3	0.7	44.8	81.1	42.8	175.6	33.4	264.5	142.5
800.2	0.7	45.6	80.1	43.1	179.6	34.3	272.6	144.2
817.1	0.7	46.4	79.5	43.4	183.7	35.2	282.2	146.0
832.2	0.7	46.7	79.1	43.7	188.5	36.1	289.5	147.7
845.2	0.7	46.8	79.0	43.5	192.8	36.9	296.1	149.5
856.5	0.7	46.8	78.9	43.4	195.4	37.5	302.6	151.3
868.6	0.7	46.7	78.8	43.2	198.8	38.2	309.2	153.1
878.3	0.7	46.8	78.8	43.5	200.9	38.8	314.0	154.9
892.2	0.7	46.8	78.6	43.1	203.6	39.5	323.4	156.7
904.1	0.7	46.9	78.4	42.9	206.1	40.1	330.5	158.5
915.3	0.6	47.0	78.1	42.4	209.6	40.8	336.5	160.4

billions of  
2002 dollars

### Real Taxable Retail Sales

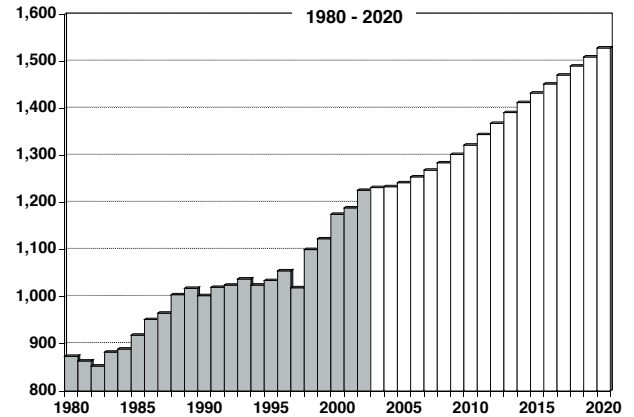
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

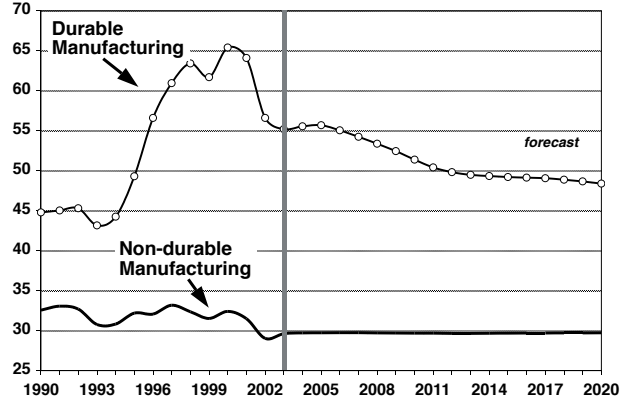
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

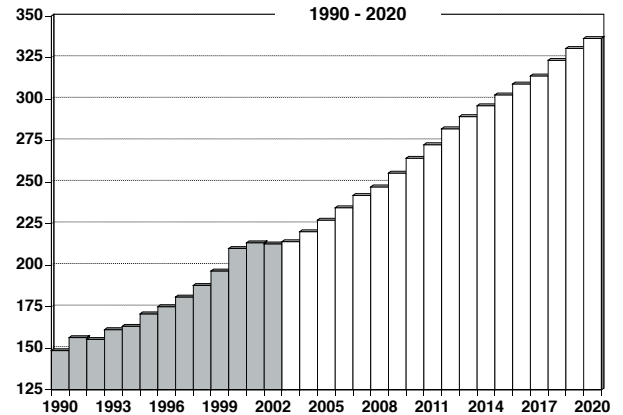
1990 - 2020



thousands of  
jobs

### Employment in Services

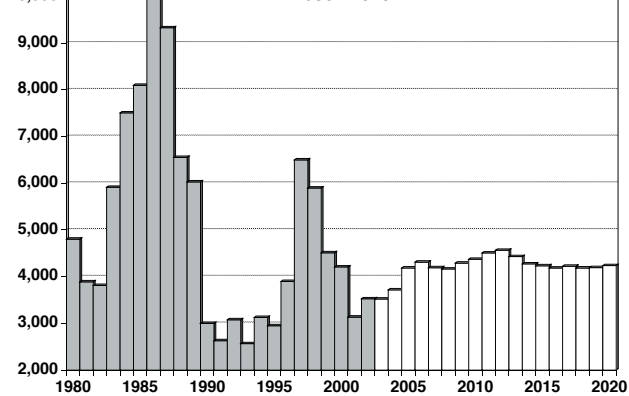
1990 - 2020



units  
permitted

### New Residential Units

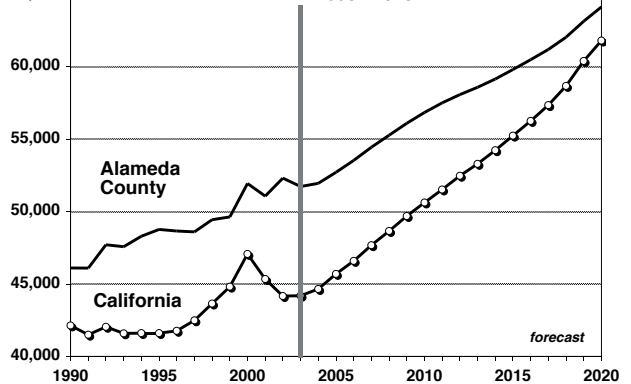
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Alameda County and California

1990 - 2020



# Alpine County Economic Forecast

Originally silver mining brought settlement to Alpine County, following the discovery of the Comstock Lode in 1859. Alpine County was created in 1864 from parts of El Dorado, Mono, and Tuolumne counties, while the population grew to more than 11,000 residents. The silver boom collapsed with the demonetization of silver in 1973, as did Alpine's booming population.

Today, Alpine County maintains its distinction as the least populated county in California. And, with 96 percent of its land in public ownership, opportunities for growth are few.

Despite its limitations, residents of Alpine County appear content in their relaxed rural lifestyle, boasting that the county has no traffic light, high school, bank, movie theater, dentist, or supermarket.

There are no incorporated cities in the county, and government jobs comprise 20 percent of the total employment. There is no farming in the county, and no manufacturing of any kind.

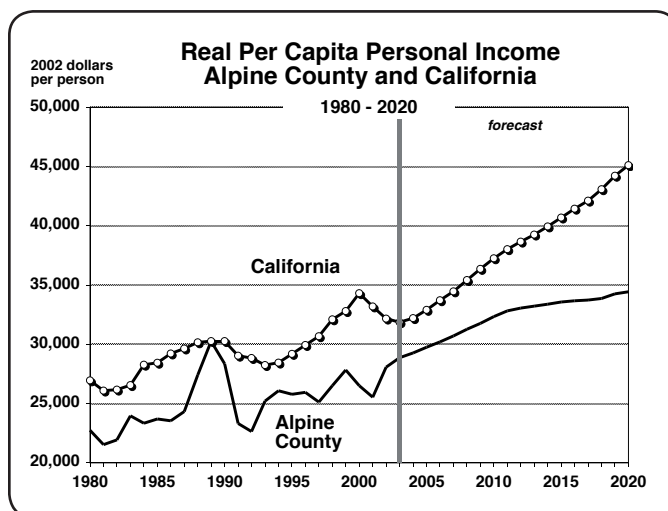
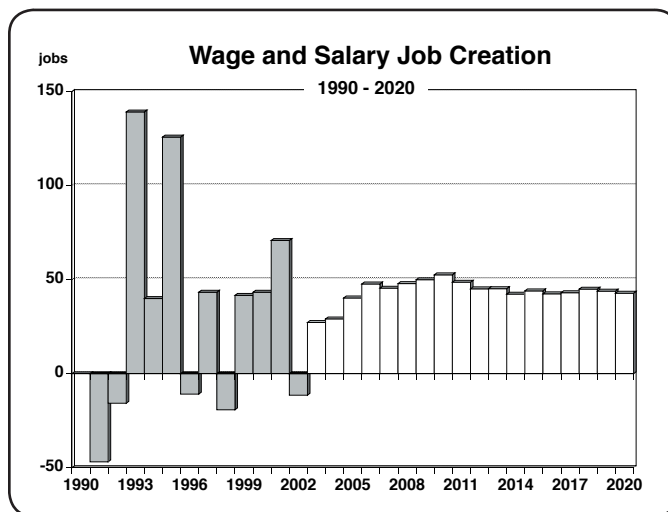
Today, most of the county's income is derived from visitors from the booming tourism communities of Lake Tahoe and western Nevada, who seek out the county for its rich outdoor recreation. Fishing, camping, hiking, rafting, skiing and winter snow sports all contribute to an economy dependent on tourism.

Most of the employment in the county is in the services sector (65 percent) including personal services and recreation services. The remainder of the jobs are in retail trade (i.e., services stations and restaurants).

The outlook for employment is modest over the short or long-term forecast, because there is limited land for commercial growth.

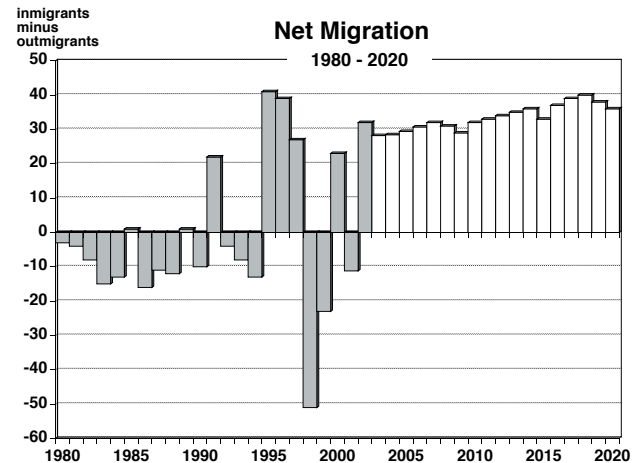
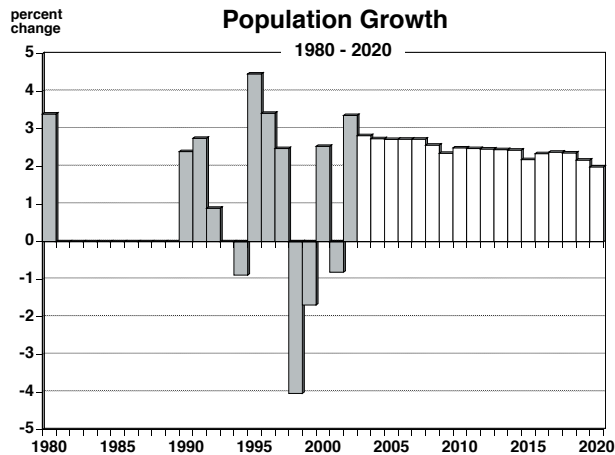
## Forecast Highlights

- Employment growth averages 3.3 percent per year for the next 5 years, and 2.6 percent for the subsequent 10 years. However, this translates into an average of between 30 and 50 new jobs per year. The sectors of growth will include retail trade and services. Only 440 new jobs are forecast for the county over the 2010 to 2020 period.
- There is very little building in the county, though some new residential units are forecast over the next 5 years. An average of 39 new homes are forecast per year between 2003 and 2010. Most of these homes are



vacation homes. All construction jobs are imported from El Dorado or Mono Counties.

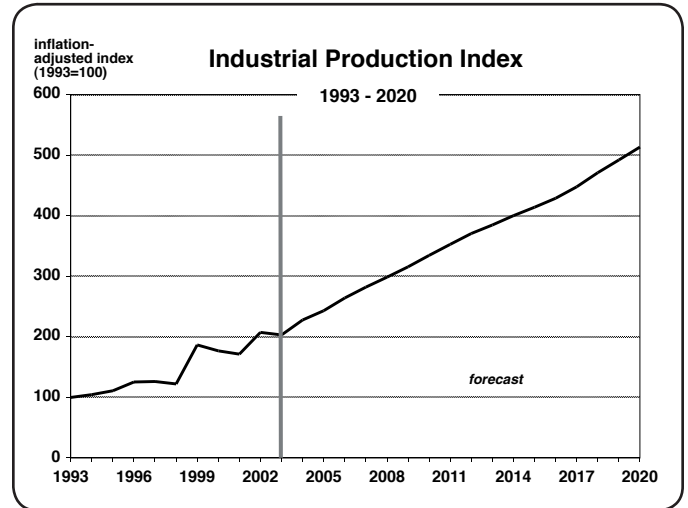
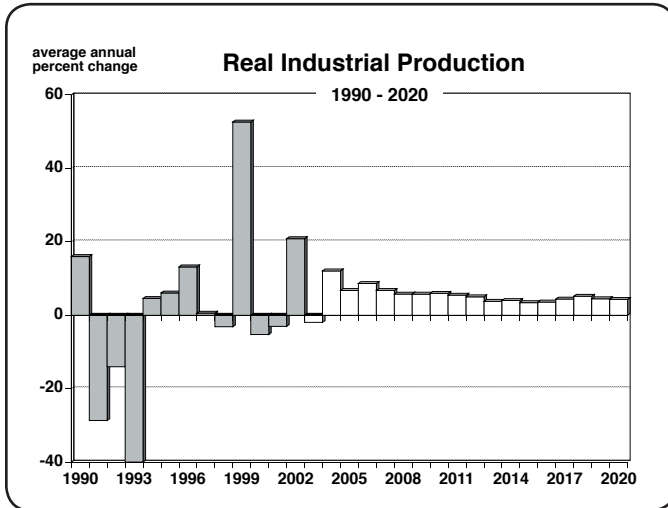
- Inflation-adjusted per capita income rises an average of 1.6 percent between 2003 and 2008. This rate of increase is a slowdown from the 2.2 percent average annual growth that Alpine County experienced between 1997 and 2002.
- Population growth remains limited in the county for the foreseeable future. Net migration is forecast to average 30 persons per year over the next 5 years, and a total of 12 births per year are also forecast. By the year 2008, the population is forecast at 1,444 residents.



## Alpine County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	1,170	41	1.5	0.5	41	\$3.0	\$23.7	\$25,785	\$0.0	\$3.4
1996	1,210	39	1.6	0.5	16	\$3.1	\$25.2	\$25,954	\$0.0	\$3.9
1997	1,240	27	1.6	0.5	10	\$5.3	\$25.9	\$25,129	\$0.0	\$3.9
1998	1,190	-51	1.7	0.5	65	\$4.6	\$27.1	\$26,522	\$0.0	\$3.8
1999	1,170	-23	1.7	0.5	50	\$5.7	\$29.1	\$27,836	\$0.0	\$5.8
2000	1,200	23	1.8	0.5	30	\$5.4	\$29.7	\$26,519	\$0.0	\$5.4
2001	1,190	-11	1.9	0.5	54	\$4.0	\$29.9	\$25,545	\$0.0	\$5.3
2002	1,230	32	2.0	0.5	62	\$4.3	\$37.0	\$28,078	\$0.0	\$6.4
2003	1,265	28	2.0	0.5	36	\$4.9	\$41.3	\$28,873	\$0.0	\$6.3
2004	1,299	28	2.0	0.5	41	\$5.3	\$44.2	\$29,274	\$0.0	\$7.0
2005	1,335	29	2.1	0.5	40	\$5.6	\$47.4	\$29,760	\$0.0	\$7.5
2006	1,371	31	2.1	0.5	38	\$5.9	\$50.7	\$30,215	\$0.0	\$8.1
2007	1,409	32	2.1	0.5	41	\$6.1	\$54.2	\$30,716	\$0.0	\$8.7
2008	1,445	31	2.2	0.5	40	\$6.4	\$58.2	\$31,283	\$0.0	\$9.2
2009	1,479	29	2.2	0.5	40	\$6.6	\$62.3	\$31,775	\$0.0	\$9.7
2010	1,516	32	2.3	0.5	39	\$6.9	\$66.9	\$32,348	\$0.0	\$10.3
2011	1,553	33	2.3	0.5	38	\$7.1	\$71.8	\$32,825	\$0.0	\$10.9
2012	1,592	34	2.4	0.5	36	\$7.4	\$76.5	\$33,063	\$0.0	\$11.4
2013	1,631	35	2.4	0.5	37	\$7.7	\$81.4	\$33,228	\$0.0	\$11.8
2014	1,671	36	2.5	0.5	36	\$8.0	\$86.4	\$33,393	\$0.0	\$12.3
2015	1,707	33	2.6	0.5	35	\$8.3	\$91.8	\$33,578	\$0.0	\$12.8
2016	1,747	37	2.6	0.5	33	\$8.6	\$97.4	\$33,680	\$0.0	\$13.2
2017	1,789	39	2.6	0.6	35	\$8.9	\$103.3	\$33,739	\$0.0	\$13.8
2018	1,831	40	2.6	0.6	36	\$9.2	\$109.7	\$33,878	\$0.0	\$14.5
2019	1,871	38	2.6	0.6	38	\$9.6	\$117.1	\$34,262	\$0.0	\$15.2
2020	1,908	36	2.7	0.6	35	\$9.9	\$124.1	\$34,443	\$0.0	\$15.8

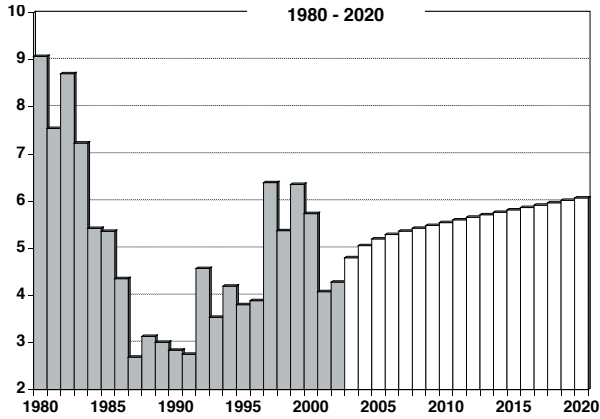


Total Wage & Salary	Farm	Mining, Construction, Manufacturing Utilities & Finance	Wholesale & Retail Trade	Services	Government
-----employment (jobs)-----					
980	0	10	35	680	230
976	0	13	30	670	240
1,017	0	19	34	710	230
1,016	0	22	46	710	220
1,058	0	34	68	730	230
1,101	0	32	81	740	230
1,172	0	31	122	780	230
1,160	0	40	140	750	230
1,187	0	37	140	770	230
1,217	0	41	148	780	231
1,257	0	43	156	797	237
1,305	0	45	163	820	244
1,350	0	46	169	847	246
1,398	0	48	176	876	249
1,448	0	49	183	907	252
1,501	0	50	191	939	256
1,549	0	50	198	971	256
1,595	0	51	206	1,002	255
1,640	0	52	214	1,031	256
1,682	0	52	223	1,059	256
1,726	0	53	231	1,085	257
1,769	0	54	240	1,111	258
1,812	0	54	249	1,137	260
1,857	0	55	258	1,163	262
1,901	0	55	268	1,188	264
1,943	0	56	277	1,213	266

millions of  
2002 dollars

### Real Taxable Retail Sales

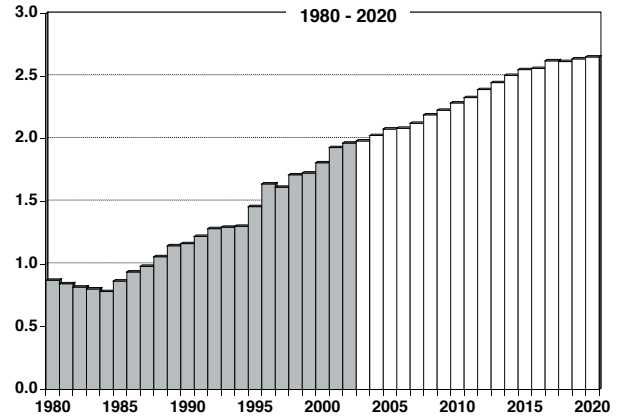
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

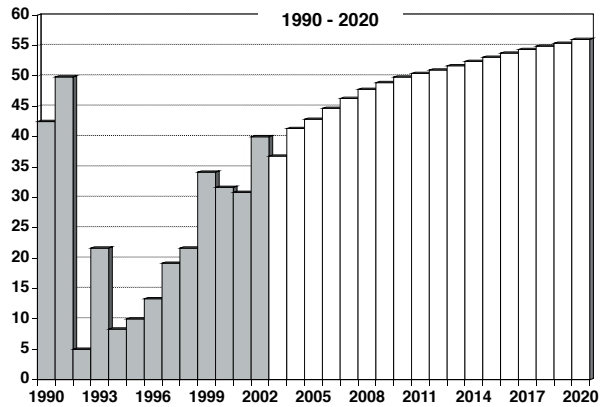
1980 - 2020



jobs

### Employment in Mining, Construction, Manufacturing, Finance, and Transportation

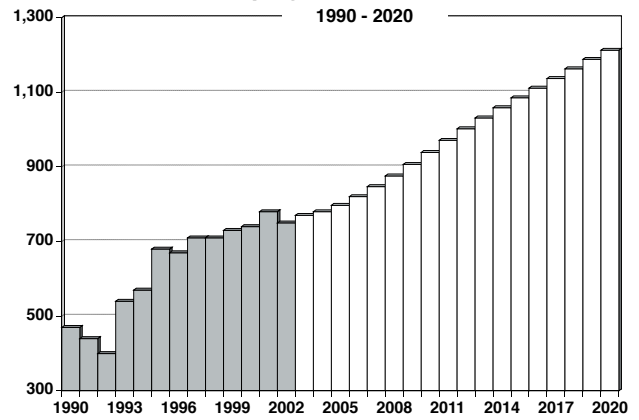
1990 - 2020



jobs

### Employment in Services

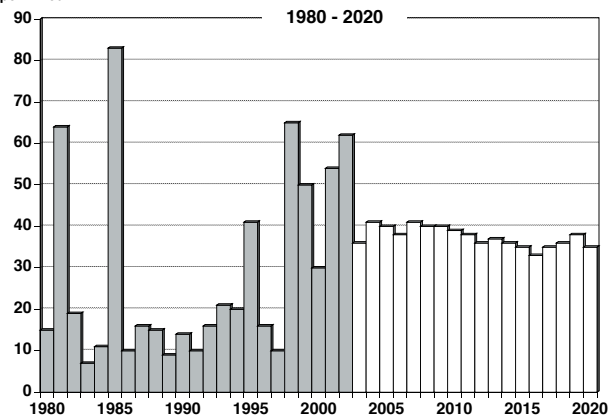
1990 - 2020



units  
permitted

### New Residential Units

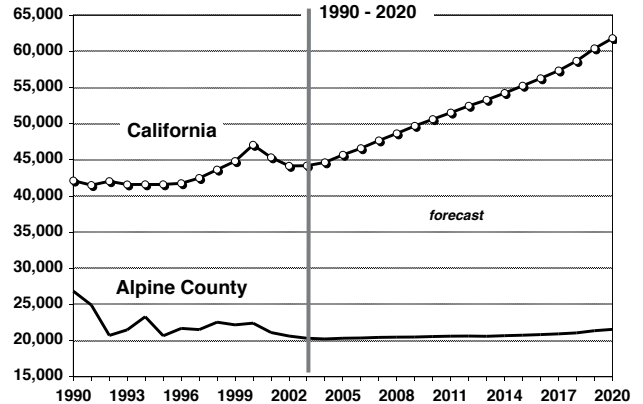
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Alpine County and California

1990 - 2020





# Amador County Economic Forecast

A scenic area known for its Gold Rush beginnings, Amador County also thrived during the deep-rock mining era of the early 1900s. Today, Amador County is emerging as a premium wine growing region and as a popular tourist destination.

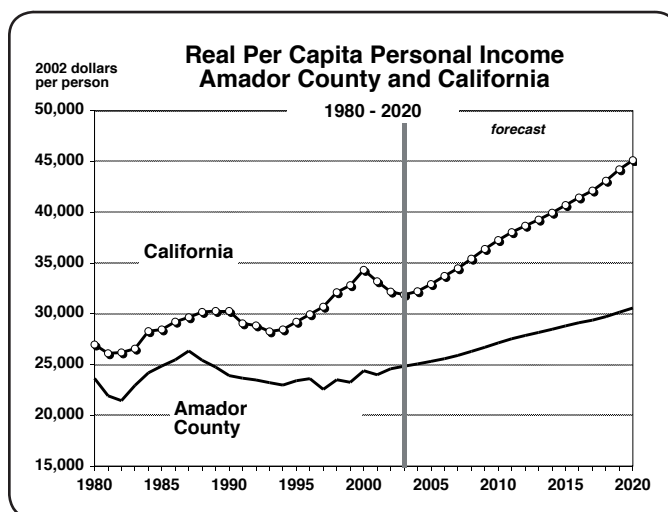
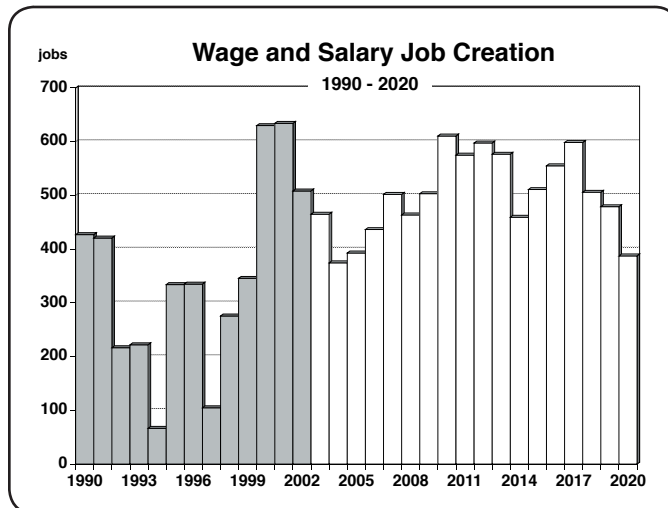
For January 2003, the population of Amador County was estimated at 36,500 people, an increase of 500 new residents over the 2002 population. The net gain in population is directly attributable to in-migration, since the natural increase is negative.

The county's annual average unemployment rate for 2002 was 4.4 percent, which was significantly lower than the state's unemployment rate of 6.3 percent for the same year. Amador County's annual average unemployment rate had been steadily declining since 1996, until last year.

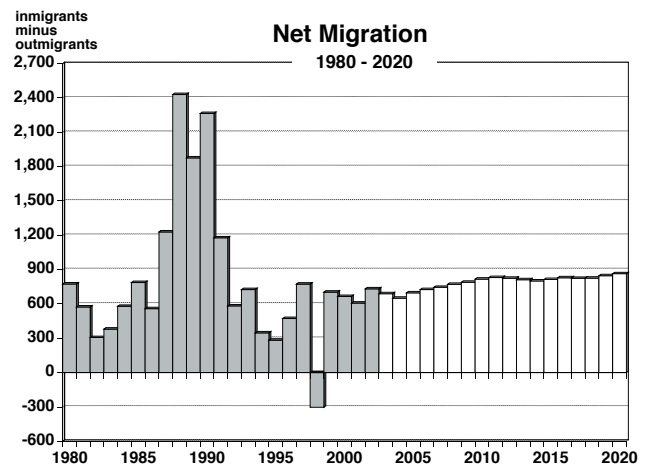
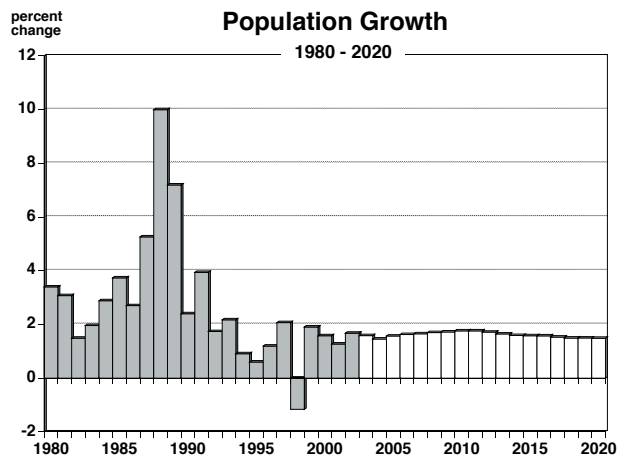
According to the 2002 annual average employment statistics, government, services, and retail trade are the largest industries in Amador County. Government accounts for 39 percent of the county's total employment with a majority of the jobs in local government. Services provide 21 percent of the total employment. Retail trade accounts for 21 percent of Amador's employment. The fastest growing sector over the next 10 years will likely be services, followed by the public sector and retail trade.

## Forecast Highlights

- Non-farm employment growth averages 3.8 percent per year between 2003 and 2008. Employment in farming rises an average of 1.9 percent per year over the same time period.
- The government sector is forecast to add nearly 1,500 new jobs over the next 5 years. Services will contribute nearly 400 new positions, and retail trade is forecast to increase by nearly 600 new jobs.
- Population growth accelerates from the average per year rate of 1.1 percent between 1997 and 2002, to 1.6 percent per year between 2003 and 2008. The forecast calls for an increase in net migration, due to the expansion of the business economy in manufacturing and government. Net new immigrants number 700 on average per year.



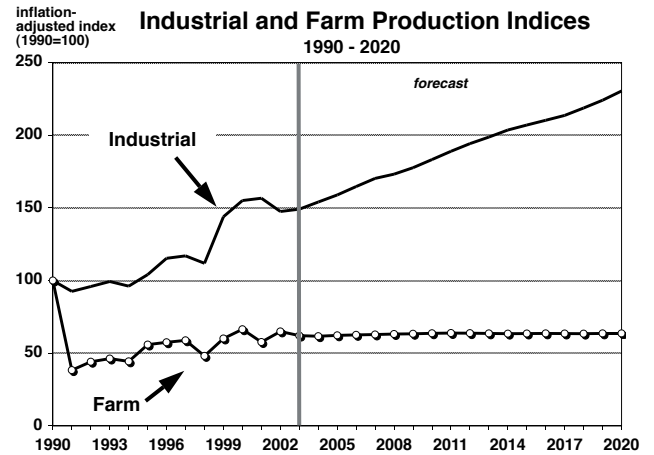
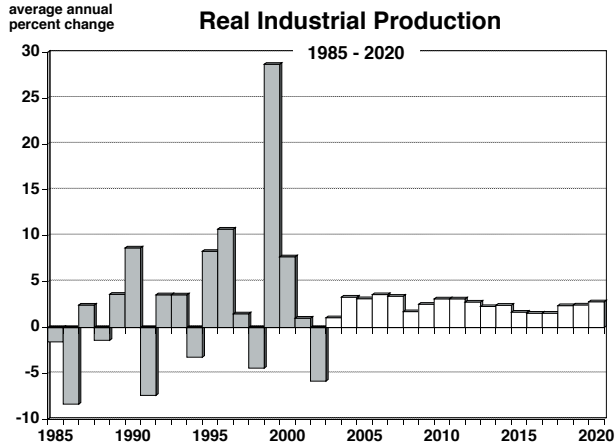
- Real per capita income is projected to increase 1.2 percent per year over the next 5 years. The older age populations in the county and the expansion of the business economy contribute to consistently positive real income growth during the decade.
- An average of 300 new residential units are forecast per year over the next 5 years. This rate of building appears adequate to meet the demand for housing in the county. Inflation-adjusted housing prices are forecast to rise an average of just 2 percent per year between 2003 and 2008. The median price of housing in Amador County is forecast to remain below the statewide median price.



## Amador County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	33,400	284	39.3	11.7	186	\$178.9	\$614.0	\$23,407	\$16.0	\$229.8
1996	33,800	473	40.7	11.9	140	\$187.8	\$641.4	\$23,618	\$16.9	\$254.5
1997	34,500	774	38.8	12.0	118	\$202.4	\$646.7	\$22,555	\$17.9	\$258.3
1998	34,100	-302	40.8	12.1	157	\$209.6	\$687.3	\$23,505	\$15.1	\$246.8
1999	34,750	704	42.5	12.2	256	\$234.2	\$722.1	\$23,249	\$19.6	\$317.7
2000	35,300	665	45.2	12.7	274	\$266.1	\$804.1	\$24,397	\$22.7	\$342.2
2001	35,750	608	47.8	12.9	239	\$272.8	\$844.1	\$23,995	\$20.7	\$345.7
2002	36,350	732	48.8	13.2	308	\$316.4	\$893.5	\$24,580	\$23.7	\$325.5
2003	36,927	690	49.9	13.3	296	\$339.9	\$940.0	\$24,831	\$23.3	\$329.0
2004	37,466	650	51.1	13.5	283	\$363.0	\$989.7	\$25,067	\$23.8	\$340.0
2005	38,054	697	52.5	13.7	293	\$385.4	\$1,043.2	\$25,310	\$24.6	\$350.7
2006	38,673	726	53.8	13.9	301	\$407.8	\$1,100.5	\$25,573	\$25.5	\$363.3
2007	39,313	746	55.1	14.2	305	\$430.6	\$1,162.5	\$25,896	\$26.2	\$375.7
2008	39,981	771	56.2	14.4	310	\$454.8	\$1,231.9	\$26,296	\$27.1	\$382.3
2009	40,670	790	57.3	14.7	312	\$480.6	\$1,305.7	\$26,703	\$27.9	\$392.0
2010	41,387	818	58.4	14.9	316	\$509.0	\$1,387.8	\$27,132	\$28.8	\$404.3
2011	42,116	831	59.5	15.2	318	\$539.3	\$1,474.4	\$27,542	\$29.7	\$417.0
2012	42,839	825	60.2	15.5	316	\$570.9	\$1,561.0	\$27,865	\$30.5	\$428.6
2013	43,545	812	60.8	15.8	314	\$603.6	\$1,650.7	\$28,162	\$31.3	\$438.5
2014	44,237	802	61.5	16.1	312	\$628.4	\$1,742.7	\$28,478	\$32.1	\$449.2
2015	44,937	814	62.1	16.3	315	\$656.8	\$1,839.7	\$28,807	\$33.0	\$456.7
2016	45,646	829	62.7	16.6	318	\$692.7	\$1,942.2	\$29,118	\$34.0	\$464.0
2017	46,346	824	63.2	16.9	316	\$726.0	\$2,047.7	\$29,372	\$34.9	\$471.3
2018	47,038	826	63.7	17.2	315	\$766.5	\$2,162.1	\$29,715	\$35.9	\$482.6
2019	47,743	847	64.1	17.5	318	\$804.7	\$2,287.6	\$30,149	\$36.9	\$494.5
2020	48,453	865	64.5	17.7	321	\$838.1	\$2,416.5	\$30,575	\$38.0	\$508.4

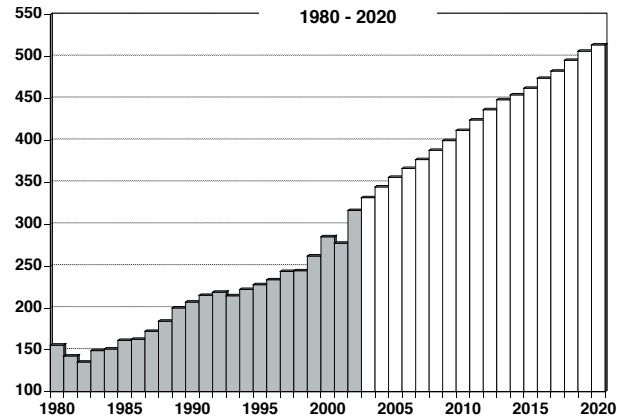


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
9,546	212	279	1,112	431	2,280	332	2,086	2,815
9,881	254	308	1,162	428	2,294	355	2,119	2,961
9,986	255	316	1,037	417	2,383	330	2,177	3,072
10,262	238	353	873	423	2,443	330	2,078	3,523
10,608	240	410	864	422	2,381	356	2,321	3,614
11,238	260	406	867	415	2,457	358	2,619	3,857
11,872	300	433	880	415	2,523	347	2,668	4,306
12,380	310	380	860	430	2,660	330	2,580	4,830
12,845	313	376	876	427	2,792	343	2,540	5,178
13,220	318	389	874	426	2,920	357	2,560	5,376
13,613	325	394	872	426	3,043	370	2,620	5,564
14,049	332	404	872	427	3,160	383	2,712	5,760
14,551	338	411	864	429	3,272	397	2,821	6,020
15,015	345	415	864	432	3,381	411	2,939	6,230
15,519	351	418	855	435	3,488	424	3,067	6,480
16,129	359	421	857	438	3,596	436	3,203	6,820
16,704	366	424	860	442	3,705	446	3,341	7,120
17,302	373	426	865	446	3,814	455	3,474	7,450
17,879	379	427	870	450	3,922	463	3,598	7,770
18,338	386	428	876	453	4,029	471	3,715	7,980
18,849	393	430	882	457	4,136	479	3,832	8,240
19,405	402	432	889	460	4,243	487	3,951	8,540
20,003	409	435	898	463	4,349	496	4,073	8,880
20,509	417	437	906	467	4,456	505	4,201	9,120
20,988	426	439	916	471	4,563	515	4,329	9,330
21,376	434	440	924	475	4,674	524	4,455	9,450

millions of  
2002 dollars

### Real Taxable Retail Sales

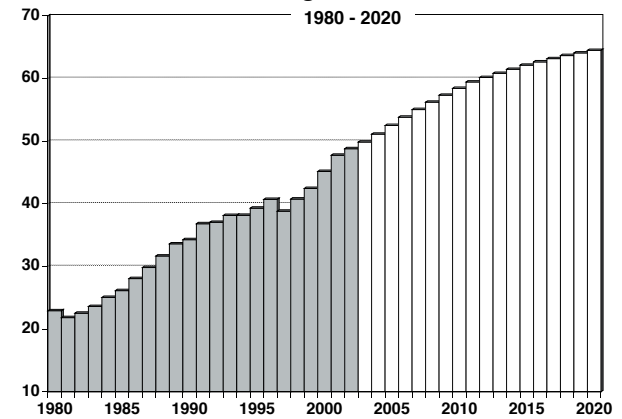
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

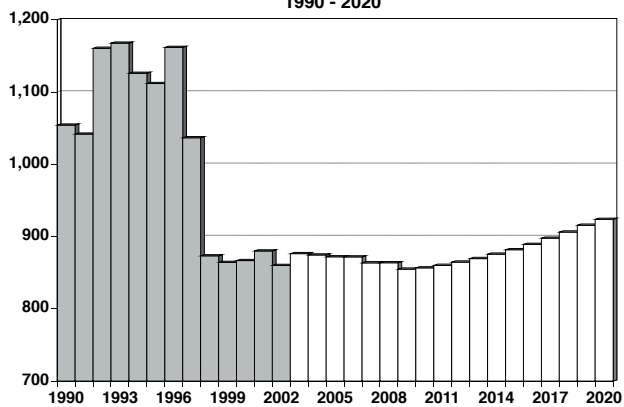
1980 - 2020



jobs

### Employment in Manufacturing

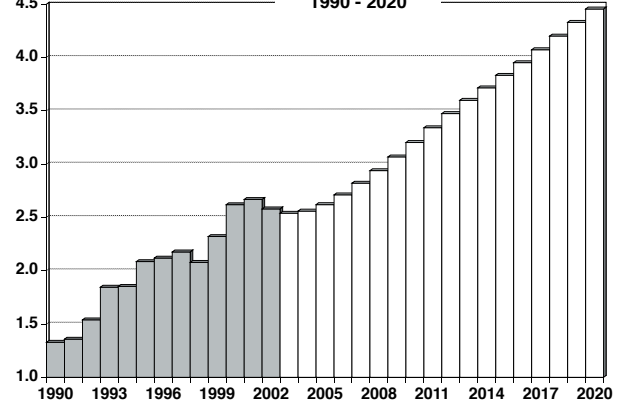
1990 - 2020



thousands of  
jobs

### Employment in Services

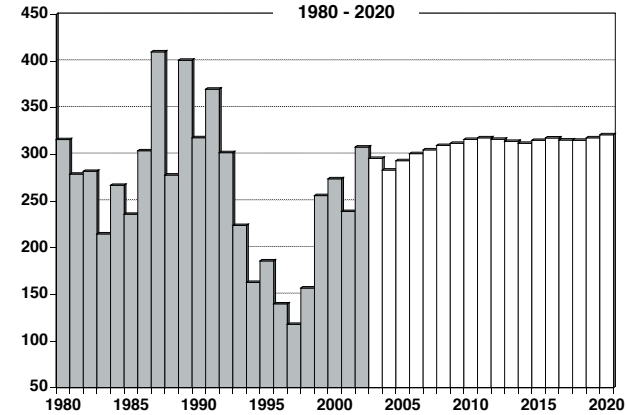
1990 - 2020



units  
permitted

### New Residential Units

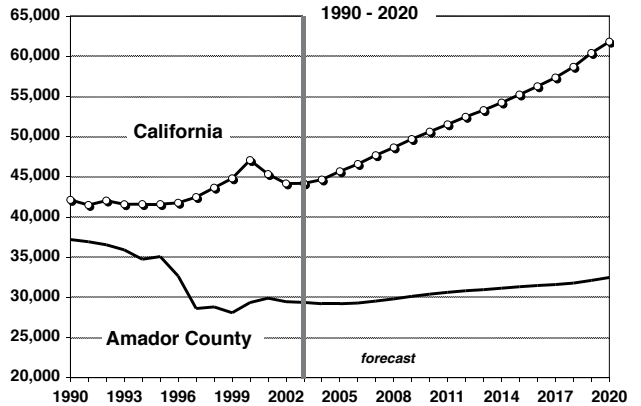
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Amador County and California

1990 - 2020



# Butte County Economic Forecast

The county has a diverse economic base that includes agriculture, government, and retail trade. Services, however is the largest industry in the county with 30 percent of the total wage and salary employment. Within the services industry, job growth since 1999 has been concentrated in the healthcare and personal services sectors.

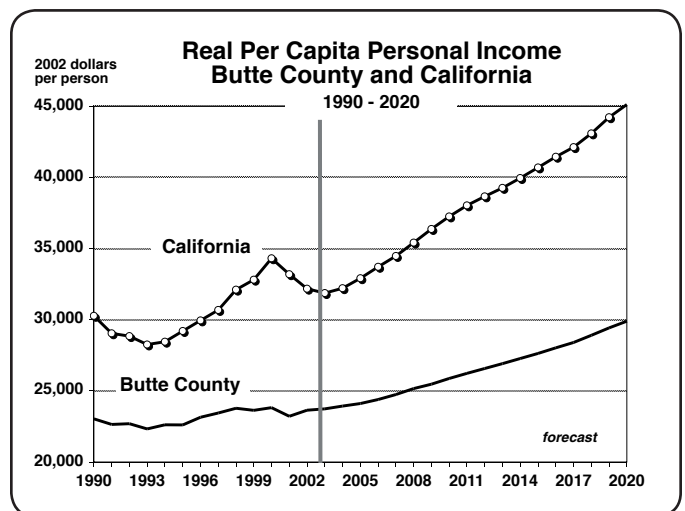
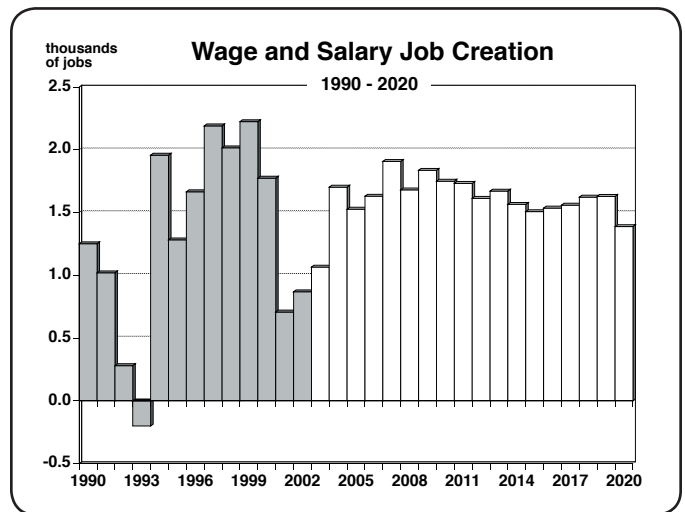
Butte's agriculture industry is a vital factor in the county's economic success. The county has ideal conditions for agricultural production, supporting a variety of crops including rice, almonds, walnuts, prunes, peaches, and kiwi fruit. Farm and farm-related services in Butte County produced a gross value of \$306 million in 2002.

The presence of California State University, Chico and Butte Community College are valuable assets to the county's workforce preparation efforts. A municipal airport in Chico, and two railroad lines provide both freight and passenger transportation services.

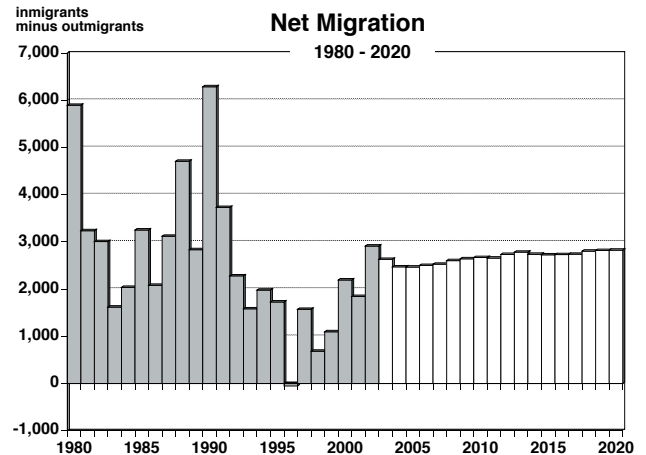
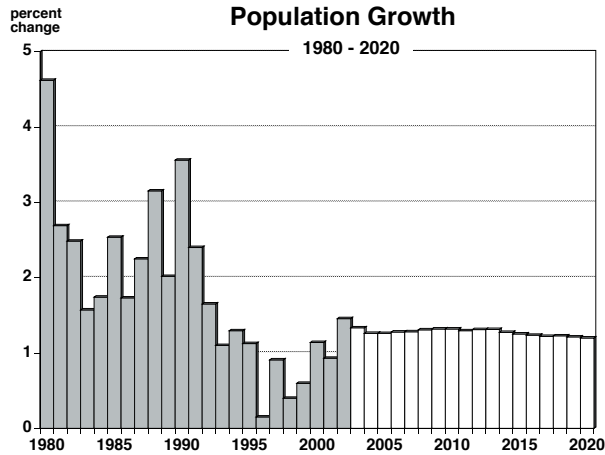
The population of Butte County was estimated at 210,400 in January 2003. The largest city is Chico with 68,600 people. Chico is also the fastest growing municipality, rising 2.5 percent between 2001 and 2002.

## Forecast Highlights

- Job growth averages 2.1 percent per year over the next 5 years. The forecast rate of growth is a continuation of the growth that has generally prevailed in the county since 1997. Between 2010 and 2020, job growth is forecast to average 1.6 percent per year.
- The unemployment rate falls to 8.4 percent in 2004, and declines steadily thereafter.
- The services sector remains the growth engine of jobs in Butte County. Employment growth in services averages 2.7 percent per year over the next 5 years, compared to 2.5 percent growth between 1997 and 2002.
- Population growth increases, due principally to the availability of housing and the affordability of housing in the region. Compound annual growth in the 2003 to 2008 period climbs to 1.3 percent per year, from 0.9 percent between 1997 and 2002. The population growth increase is principally led by in-migration. However, the number of births increases significantly in the county as the 20 to 29 age population increases more than 30 percent over the next 15 years.



- Real per capita income is forecast to rise at an annual compound rate of growth of 1.2 percent over the next 5 years. Between 1997 and 2002, real per capita personal income increased a scant 0.2 percent per year. Employment gains together with higher average salaries produce greater inflation-adjusted wealth per person over the forecast.
- Median home values, adjusted for inflation, rise at an annual compound rate of 2.1 percent per year between 2003 and 2008. The appreciation rate of housing over the forecast period is less than the 5.5 percent average per year that occurred between 1997 and 2002.



## Butte County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

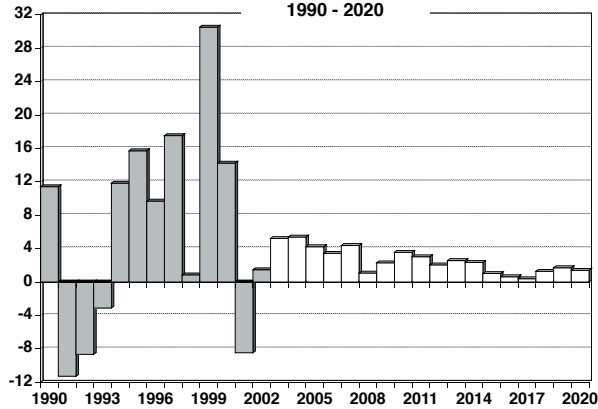
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	197,500	1,728	183	78.7	656	\$1.2	\$3.6	\$22,603	\$265	\$1.5
1996	197,800	-51	184	79.4	592	\$1.2	\$3.7	\$23,142	\$288	\$1.7
1997	199,600	1,572	175	80.1	591	\$1.2	\$4.0	\$23,443	\$311	\$1.9
1998	200,400	684	184	80.7	910	\$1.3	\$4.2	\$23,780	\$217	\$2.0
1999	201,600	1,096	190	81.6	960	\$1.4	\$4.3	\$23,632	\$266	\$2.6
2000	203,900	2,194	197	79.4	1,078	\$1.5	\$4.6	\$23,823	\$296	\$2.9
2001	205,800	1,843	206	80.3	1,044	\$1.6	\$4.8	\$23,214	\$259	\$2.7
2002	208,800	2,913	212	81.4	1,147	\$1.7	\$5.1	\$23,643	\$311	\$2.7
2003	211,588	2,630	215	82.5	1,085	\$1.7	\$5.2	\$23,737	\$317	\$2.9
2004	214,258	2,470	218	83.6	1,087	\$1.8	\$5.5	\$23,928	\$326	\$3.0
2005	216,960	2,466	221	84.7	1,102	\$1.9	\$5.8	\$24,108	\$336	\$3.1
2006	219,736	2,502	223	85.8	1,113	\$2.0	\$6.1	\$24,396	\$345	\$3.3
2007	222,555	2,528	226	86.9	1,146	\$2.0	\$6.4	\$24,741	\$353	\$3.4
2008	225,468	2,604	228	88.0	1,161	\$2.1	\$6.8	\$25,165	\$362	\$3.4
2009	228,445	2,643	230	89.2	1,171	\$2.2	\$7.1	\$25,474	\$370	\$3.5
2010	231,460	2,669	232	90.3	1,166	\$2.3	\$7.5	\$25,872	\$378	\$3.6
2011	234,460	2,658	234	91.5	1,199	\$2.4	\$7.9	\$26,231	\$388	\$3.7
2012	237,537	2,735	236	92.7	1,217	\$2.5	\$8.4	\$26,575	\$397	\$3.8
2013	240,657	2,783	238	93.9	1,196	\$2.6	\$8.9	\$26,912	\$407	\$3.9
2014	243,726	2,737	240	95.1	1,191	\$2.7	\$9.3	\$27,271	\$417	\$4.0
2015	246,782	2,726	242	96.2	1,193	\$2.8	\$9.8	\$27,632	\$427	\$4.1
2016	249,834	2,731	243	97.4	1,196	\$2.9	\$10.4	\$28,025	\$437	\$4.1
2017	252,885	2,739	245	98.6	1,224	\$3.0	\$11.0	\$28,400	\$448	\$4.1
2018	255,992	2,805	245	99.8	1,228	\$3.2	\$11.6	\$28,903	\$459	\$4.2
2019	259,100	2,818	246	101.0	1,230	\$3.3	\$12.3	\$29,429	\$470	\$4.2
2020	262,210	2,825	246	102.3	1,235	\$3.4	\$13.0	\$29,902	\$481	\$4.3



average annual  
percent change

### Real Industrial Production

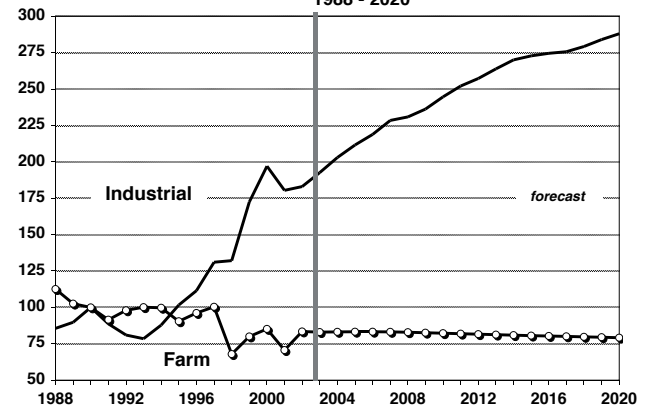
1990 - 2020



inflation-adjusted  
index (1990=100)

### Industrial and Farm Production Indices

1988 - 2020

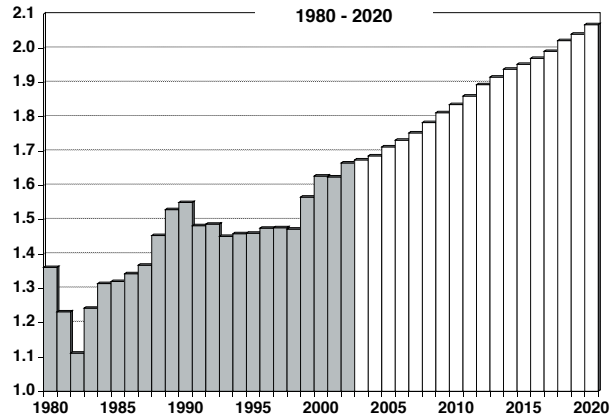


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
65.1	2.9	2.8	5.4	2.6	15.7	3.3	18.7	13.6
66.7	3.0	3.0	5.0	2.5	16.2	3.3	19.5	14.0
68.9	3.1	3.3	5.6	2.7	16.3	3.4	20.3	14.0
70.9	3.0	3.5	5.8	2.9	16.5	3.5	20.9	14.7
73.2	3.1	4.0	5.7	2.9	16.6	3.9	21.8	15.1
74.9	3.0	4.3	5.7	2.8	16.9	4.1	21.6	16.3
75.7	2.8	4.3	5.1	2.1	17.6	4.4	22.4	16.6
76.5	2.5	4.6	4.5	2.2	18.0	4.7	23.0	16.8
77.6	2.6	4.8	4.5	2.3	18.2	4.8	23.7	16.5
79.3	2.7	4.9	4.8	2.4	18.6	4.9	24.4	16.5
80.8	2.7	5.0	4.9	2.5	19.0	5.0	25.1	16.5
82.4	2.7	5.0	4.9	2.5	19.5	5.2	25.8	16.6
84.4	2.7	5.1	5.0	2.5	20.0	5.5	26.4	16.9
86.0	2.8	5.1	5.0	2.5	20.5	5.7	27.1	17.1
87.9	2.8	5.1	5.0	2.5	21.0	5.9	27.7	17.5
89.6	2.8	5.2	5.1	2.5	21.6	6.2	28.4	17.8
91.4	2.8	5.2	5.1	2.5	22.0	6.4	29.0	18.1
93.0	2.8	5.2	5.2	2.5	22.4	6.7	29.6	18.4
94.6	2.7	5.2	5.2	2.5	22.8	6.9	30.2	18.8
96.2	2.7	5.3	5.3	2.5	23.2	7.1	30.7	19.2
97.7	2.7	5.3	5.3	2.5	23.6	7.3	31.3	19.6
99.3	2.7	5.2	5.3	2.5	23.9	7.5	31.8	20.0
100.8	2.7	5.2	5.4	2.5	24.2	7.8	32.3	20.5
102.4	2.7	5.2	5.4	2.5	24.5	8.0	32.8	21.0
104.1	2.7	5.2	5.5	2.5	24.8	8.3	33.3	21.5
105.5	2.7	5.1	5.5	2.5	25.1	8.6	33.7	21.9

billions of  
2002 dollars

### Real Taxable Retail Sales

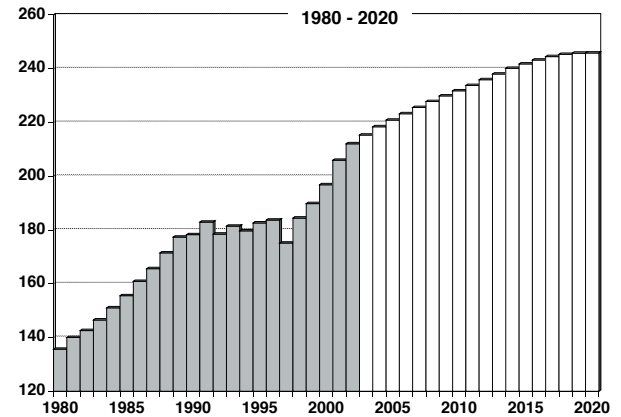
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

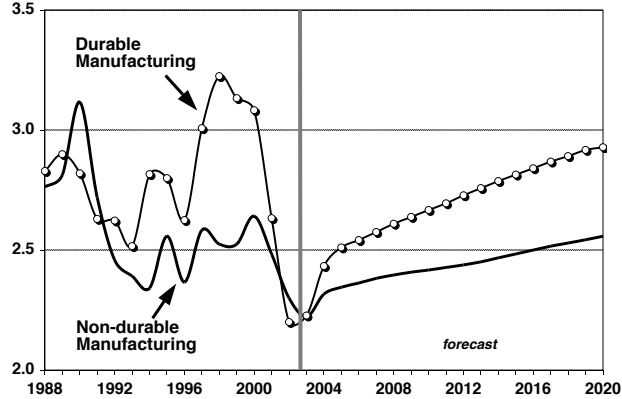
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

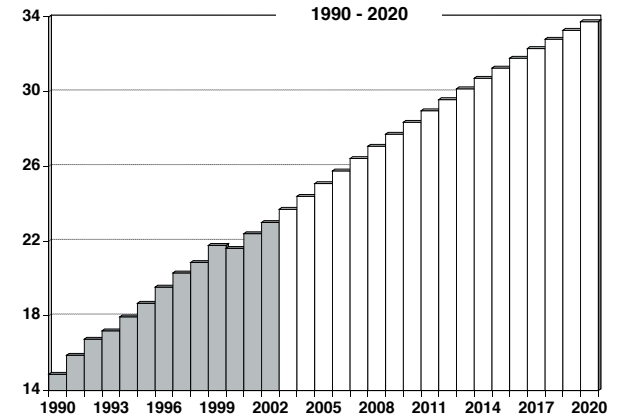
1988 - 2020



thousands of  
jobs

### Employment in Services

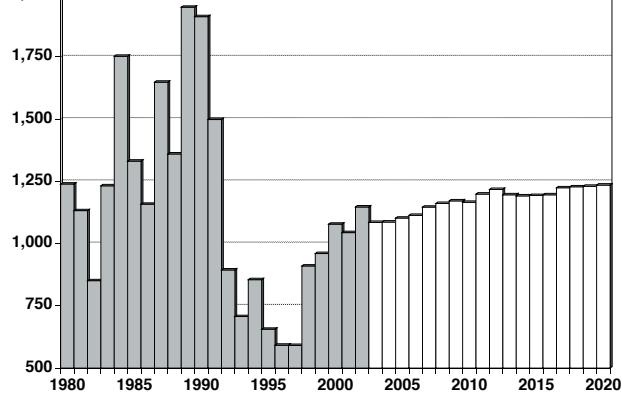
1990 - 2020



units  
permitted

### New Residential Units

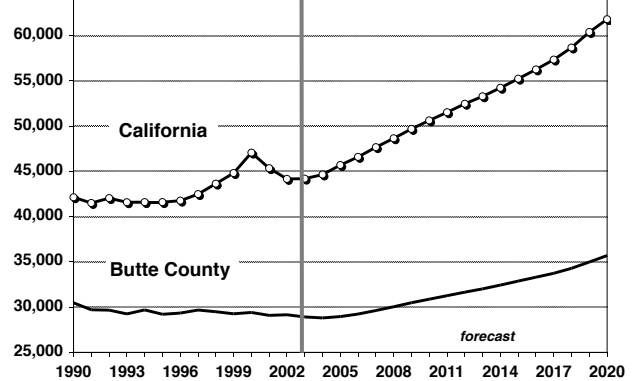
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Butte County and California

1990 - 2020



# Calaveras County Economic Forecast

Situated in the Mother Lode region of the Sierra Nevada Mountains, Calaveras is a popular tourist destination. Several main roadways cross the county, connecting Calaveras to Stockton and other parts of the Central Valley.

Tourism is an essential part of Calaveras County's economy, providing the basis for many local industries. Drawn to the abundant recreational facilities and many historic small towns, tourists patronize Calaveras' many shops, restaurants, and hotels. Award-winning foothill vineyards and tasting rooms, microbreweries, local art galleries, antique shops, and gold rush museums add to the sight-seeing attractions of the county.

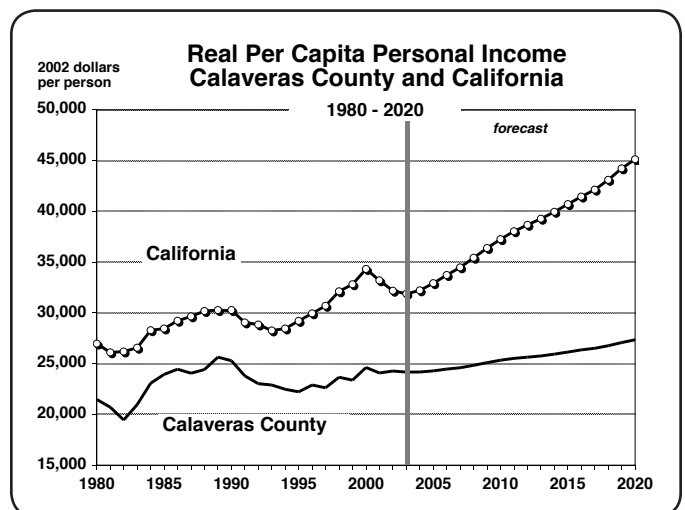
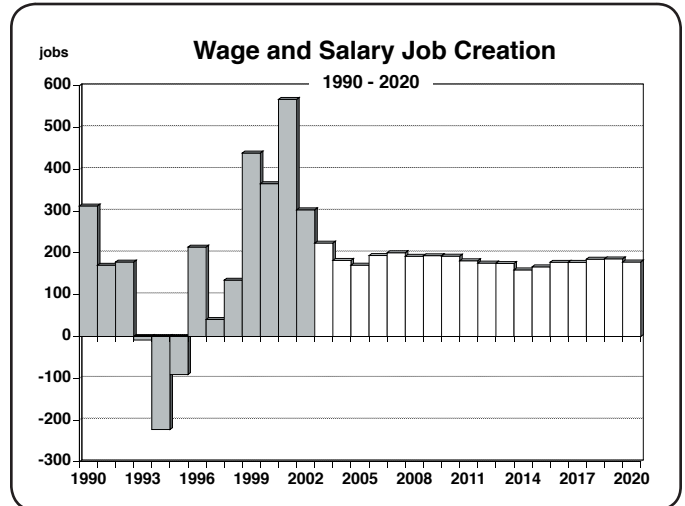
The county's annual average unemployment rate for 2002 increased to 7.0 percent from 6.0 percent in 2001.

Government, services, and retail trade dominate Calaveras County's current economic base. Government, the largest industry in the county, accounts for 29 percent of the total employment and is projected to add another 200 jobs by 2008. The majority of both current and projected government jobs are in the local government sector, principally education. The services sector provides for over 23 percent of all employment, while retail trade adds another 22 percent of the total. According to the non-farm industry projections, government, services and retail trade will continue to dominate and account for 75 percent of the projected employment growth (1,160 jobs) between 2003 and 2008.

The manufacturing industry is projected to grow at a rate of 3.2 percent per year over the next 5 years. Most of the growth will occur in the food and kindred products sector of non-durable goods manufacturing.

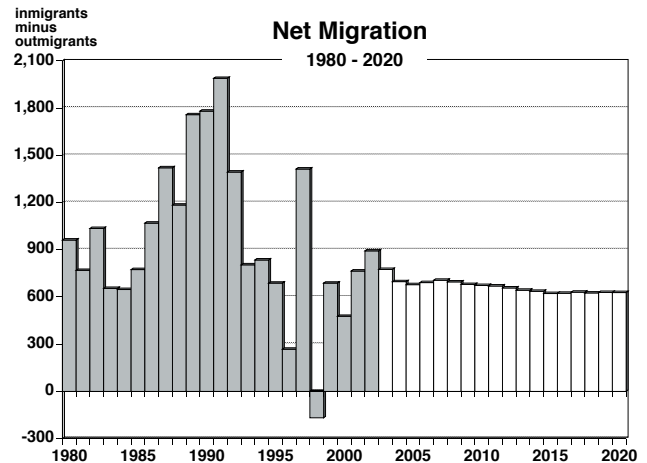
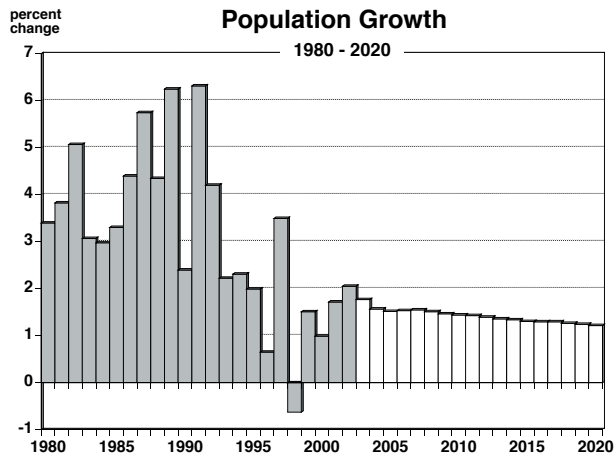
## Forecast Highlights

- Non-farm employment is projected to grow an average of 2.0 percent per year between 2003 and 2008.
- The principal sectors of new job growth in Calaveras County are services, retail trade, and government. Within the government sector, there will be continued demand for jobs in K-12 education.
- Total personal income adjusted for inflation increases 2.1 percent per year, a rate faster than the growth of population. Hence, real (inflation-adjusted) per capita



income rises an average 0.6 percent per year over the next 5 years.

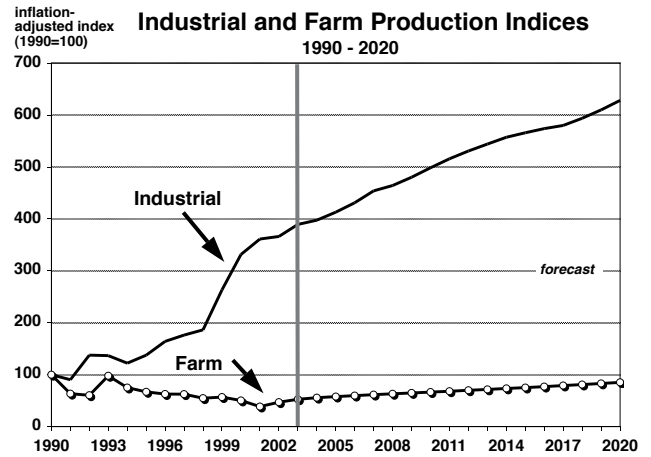
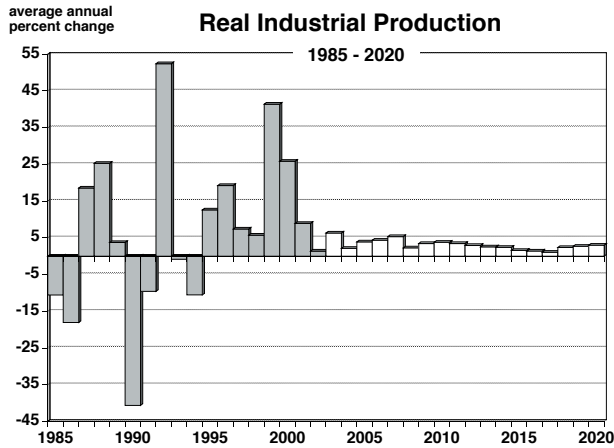
- Population growth accelerates from the average per year rate of 1.1 percent between 1997 and 2002, to 1.5 percent per year between 2003 and 2008. The forecast calls for an increase in the natural increase, due to rapidly growing population in the 20 to 29 year old age cohort. Net migration is also forecast to average 710 persons per year.
- Between 2003 and 2008, an annual average of 533 new residential units are authorized through the permitting process.



## Calaveras County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	38,350	688	49.2	14.3	288	\$104.8	\$669.3	\$22,223	\$36.7	\$200.4
1996	38,600	268	51.3	14.5	226	\$115.8	\$709.8	\$22,888	\$35.1	\$238.9
1997	39,950	1,413	49.6	14.7	260	\$122.3	\$750.7	\$22,613	\$36.2	\$256.6
1998	39,700	-168	52.3	14.9	298	\$125.1	\$805.5	\$23,661	\$32.8	\$271.3
1999	40,300	688	54.3	15.1	302	\$142.1	\$841.7	\$23,369	\$35.5	\$383.6
2000	40,700	477	57.6	16.4	426	\$154.1	\$935.3	\$24,613	\$32.8	\$482.7
2001	41,400	765	61.7	16.7	570	\$162.1	\$980.9	\$24,081	\$26.5	\$525.8
2002	42,250	893	63.5	17.2	516	\$167.3	\$1,025.7	\$24,276	\$32.8	\$533.2
2003	42,998	775	65.7	17.5	524	\$174.3	\$1,068.6	\$24,166	\$37.7	\$566.8
2004	43,673	697	67.8	17.9	523	\$181.7	\$1,115.9	\$24,171	\$40.9	\$578.9
2005	44,335	679	70.0	18.3	533	\$189.5	\$1,169.6	\$24,284	\$43.7	\$601.5
2006	45,016	691	72.3	18.7	541	\$197.8	\$1,229.0	\$24,463	\$46.4	\$627.6
2007	45,714	706	74.6	19.1	542	\$206.2	\$1,287.5	\$24,592	\$49.0	\$661.0
2008	46,405	696	77.0	19.5	539	\$215.3	\$1,354.4	\$24,836	\$51.7	\$676.0
2009	47,086	679	79.5	19.9	538	\$225.1	\$1,425.0	\$25,099	\$54.4	\$699.3
2010	47,765	673	82.1	20.2	539	\$235.8	\$1,500.1	\$25,339	\$57.3	\$725.8
2011	48,449	670	84.8	20.6	537	\$246.8	\$1,575.8	\$25,518	\$60.5	\$750.8
2012	49,125	657	87.6	21.0	535	\$257.7	\$1,651.3	\$25,634	\$63.8	\$772.7
2013	49,793	643	90.3	21.4	535	\$268.6	\$1,730.9	\$25,755	\$67.2	\$792.2
2014	50,460	636	93.2	21.8	536	\$279.5	\$1,815.4	\$25,937	\$70.8	\$811.2
2015	51,118	622	96.1	22.2	538	\$290.8	\$1,904.3	\$26,144	\$74.5	\$824.0
2016	51,781	624	99.1	22.6	542	\$302.8	\$1,999.3	\$26,353	\$78.6	\$835.6
2017	52,454	630	102.2	23.0	544	\$315.5	\$2,097.2	\$26,511	\$82.9	\$844.5
2018	53,117	625	105.3	23.4	546	\$329.0	\$2,204.3	\$26,761	\$87.4	\$864.5
2019	53,777	629	108.6	23.8	549	\$343.4	\$2,319.4	\$27,070	\$92.1	\$887.9
2020	54,432	628	112.0	24.2	553	\$358.6	\$2,434.4	\$27,350	\$96.8	\$914.5

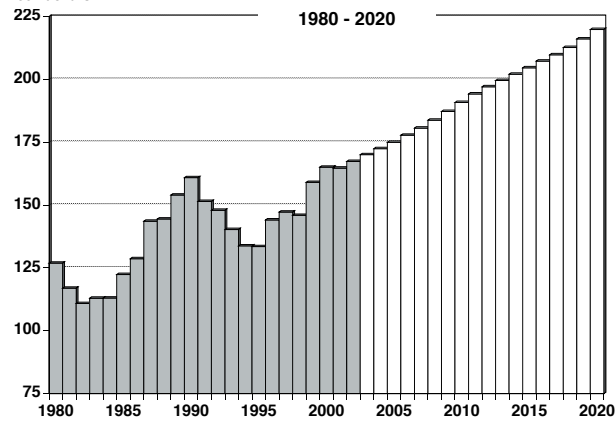


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
6,894	42	507	348	335	1,445	295	1,573	2,350
7,108	45	550	378	342	1,482	252	1,634	2,427
7,149	43	527	418	352	1,491	278	1,623	2,419
7,284	46	593	456	412	1,563	275	1,683	2,256
7,723	26	729	468	385	1,697	319	1,822	2,278
8,089	26	848	452	403	1,805	373	1,855	2,328
8,657	50	993	450	406	1,858	411	1,980	2,509
8,960	60	1,050	400	360	1,970	440	2,100	2,580
9,184	63	1,093	425	400	2,020	433	2,130	2,620
9,366	65	1,087	444	420	2,070	438	2,174	2,668
9,537	67	1,096	460	431	2,120	443	2,227	2,693
9,731	68	1,116	473	443	2,170	449	2,290	2,722
9,931	70	1,136	490	453	2,221	456	2,358	2,747
10,124	71	1,151	498	463	2,274	462	2,428	2,778
10,317	72	1,161	505	473	2,328	468	2,501	2,809
10,510	74	1,169	511	485	2,383	474	2,578	2,837
10,691	75	1,175	515	497	2,440	480	2,656	2,853
10,867	76	1,180	519	507	2,495	487	2,731	2,872
11,042	78	1,185	523	515	2,549	493	2,801	2,898
11,202	79	1,191	528	522	2,602	498	2,869	2,913
11,369	80	1,197	533	530	2,653	504	2,935	2,936
11,546	82	1,205	537	539	2,703	510	3,003	2,968
11,724	83	1,215	541	547	2,753	516	3,071	2,999
11,909	85	1,225	544	558	2,802	522	3,142	3,031
12,095	86	1,234	549	571	2,852	528	3,214	3,061
12,274	88	1,242	552	581	2,903	534	3,284	3,089

millions of  
2002 dollars

### Real Taxable Retail Sales

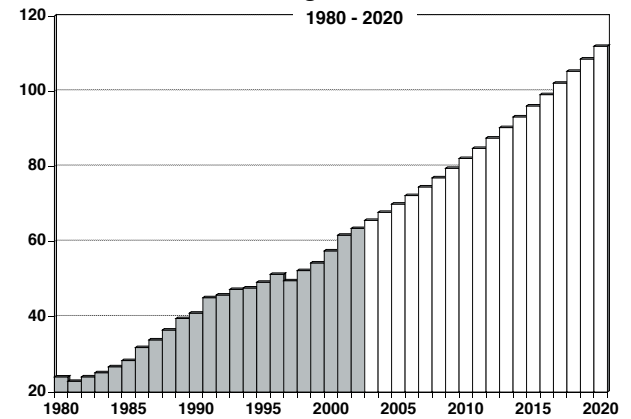
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

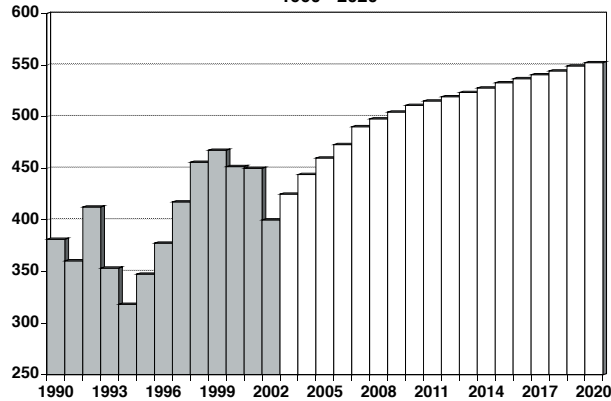
1980 - 2020



jobs

### Employment in Manufacturing

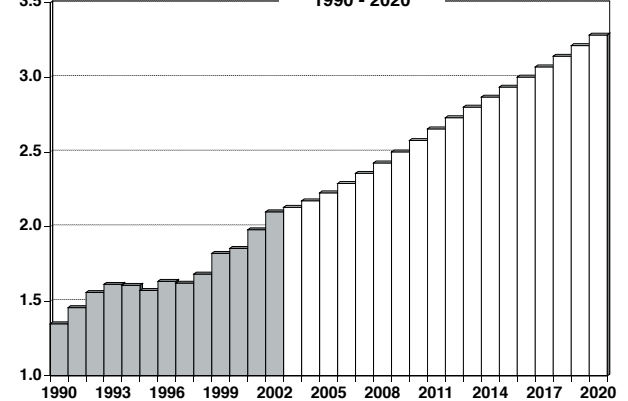
1990 - 2020



thousands of  
jobs

### Employment in Services

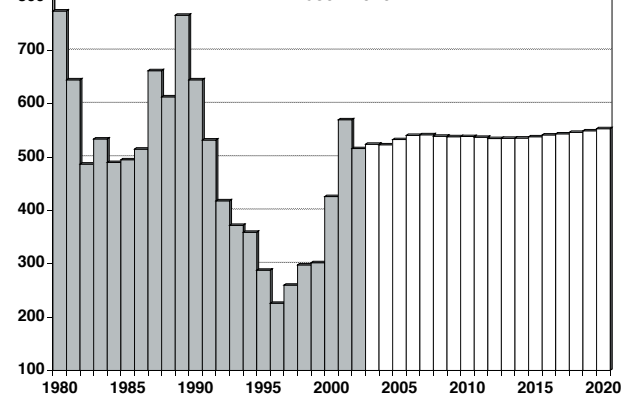
1990 - 2020



units  
permitted

### New Residential Units

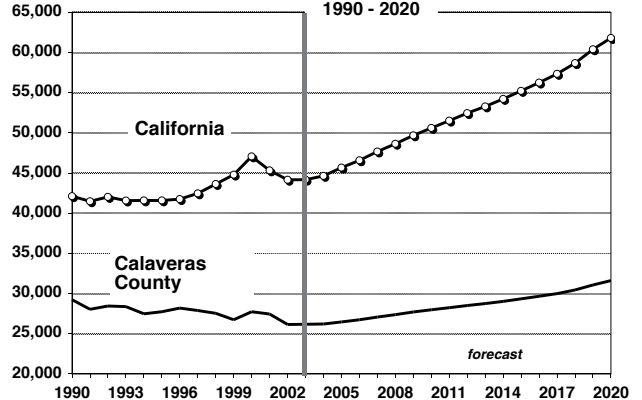
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Calaveras County and California

1990 - 2020





# Colusa County Economic Forecast

Much of the land area in Colusa County is devoted to agriculture, a primary economic activity and a major source of employment. In 2003, the farm sector employed 2,200 workers, second only to government in size of workforce.

In January of 2003, the population of Colusa County was estimated at 19,700 persons. The largest city in the county is the city of Colusa, whose population now stands at 5,575 residents in 2003, an increase of 1.8 percent over 2002. By the year 2010, population projections estimate Colusa County will be home to more than 22,700 persons.

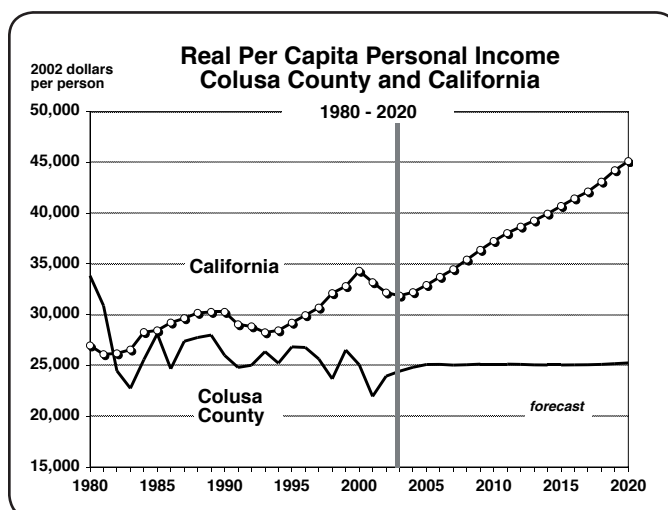
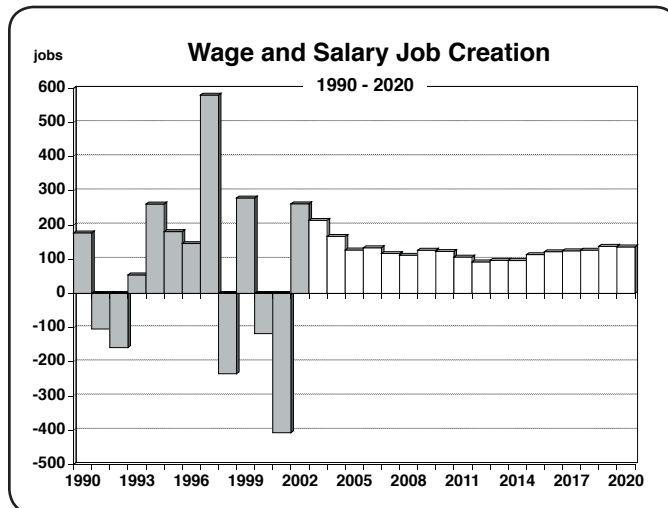
The county's 2002 annual average unemployment rate was 16.4 percent, significantly higher than the state's annual average unemployment rate of 6.6 percent. Throughout most of the year Colusa County has a labor surplus due to the seasonal nature of employment in agriculture and related industries.

The predominant employers in Colusa County are agribusiness-oriented. According to the 2002 annual average employment statistics, the agriculture industry in Colusa makes up 29 percent of the county's total wage and salary employment. The agricultural industry in Colusa continues to grow and diversify. Rice, first grown in Colusa in 1912, has become the area's principal crop, making the county a state leader in rice production and advanced rice production technology. Other important commodities include tomatoes, almonds, wheat, cattle and calves, walnuts, and prunes.

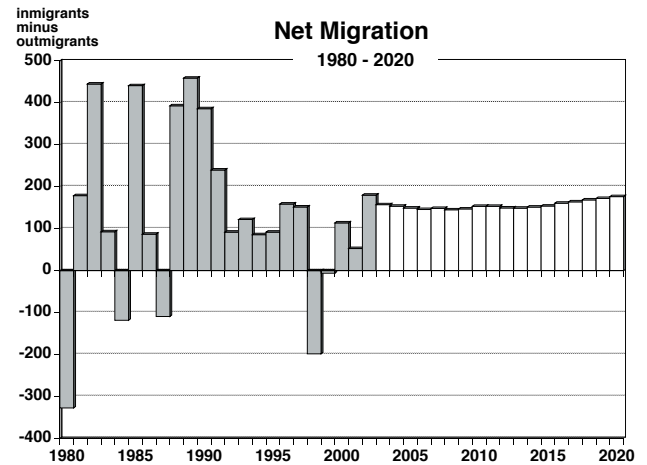
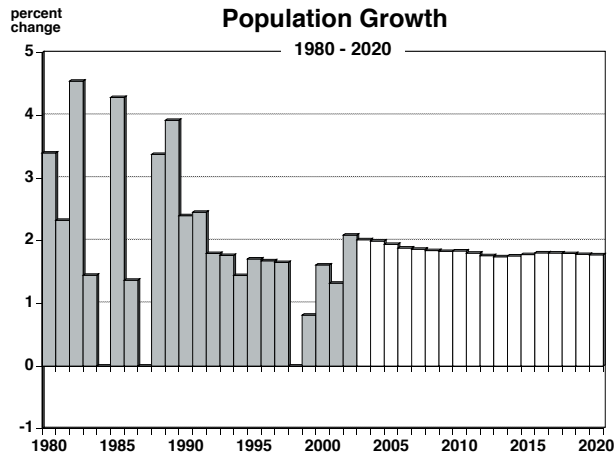
According to the forecast, the government, and retail sectors will have the largest growth over the 2003 to 2008 period. In general however, not much employment growth is expected in Colusa over the forecast period.

## Forecast Highlights

- Nearly 750 jobs are created in the non-farm sector between 2003 and 2008. The principal industry of growth is government, which adds an estimated 540 jobs. The wholesale and retail trade sector is forecast to increase employment by 160 jobs. Farming adds 125 jobs to base employment between 2003 and 2008.
- The unemployment rate continues to fall throughout the forecast period, as farm sector employment declines relative to the non-farm sector.



- Inflation-adjusted personal income rises an average of 1.9 percent per year over the next 5 years. In 2002, per person average income was \$23,900. Between 2003 and 2008, real per capita income is forecast to rise only marginally, averaging 0.5 percent per year.
- Population growth accelerates over the next 5 years, averaging 1.9 percent growth per year. This compares to the 1.2 percent average annual growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and increased net migration are responsible for the higher rate of population growth projected during the decade.



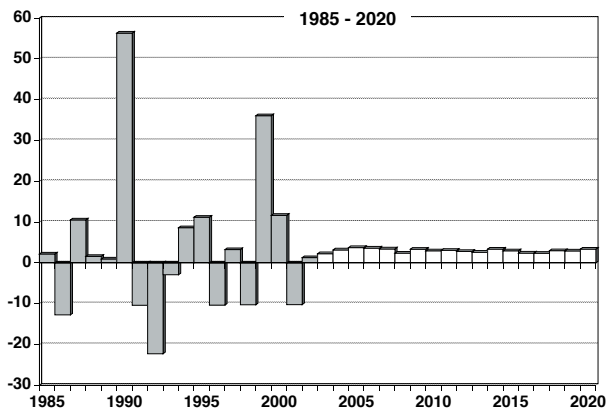
## Colusa County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	17,850	92	20.1	6.1	62	\$99.4	\$376.2	\$26,834	\$304.9	\$140.5
1996	18,150	159	21.0	6.2	35	\$105.0	\$390.4	\$26,774	\$306.9	\$126.0
1997	18,450	152	20.1	6.2	52	\$109.4	\$393.3	\$25,653	\$322.9	\$130.1
1998	18,450	-198	21.0	6.3	51	\$105.4	\$374.7	\$23,685	\$293.6	\$116.8
1999	18,600	-6	21.5	6.3	48	\$119.2	\$441.0	\$26,528	\$351.3	\$158.9
2000	18,900	114	21.3	6.1	46	\$128.8	\$442.4	\$25,070	\$345.9	\$177.4
2001	19,150	53	21.2	6.1	34	\$127.9	\$413.8	\$21,959	\$277.8	\$159.3
2002	19,550	180	21.4	6.2	41	\$130.3	\$468.1	\$23,942	\$290.3	\$161.4
2003	19,944	157	21.5	6.2	46	\$137.7	\$512.0	\$24,440	\$316.5	\$165.1
2004	20,342	154	21.6	6.2	52	\$145.5	\$538.5	\$24,819	\$340.0	\$170.3
2005	20,737	149	21.9	6.3	56	\$153.3	\$563.7	\$25,098	\$358.3	\$176.8
2006	21,127	146	22.1	6.3	60	\$161.0	\$590.2	\$25,105	\$376.1	\$183.2
2007	21,521	148	22.3	6.4	64	\$168.6	\$615.4	\$25,043	\$392.2	\$189.5
2008	21,918	145	22.6	6.5	69	\$176.6	\$644.1	\$25,077	\$407.5	\$194.1
2009	22,319	147	22.8	6.5	70	\$184.9	\$674.3	\$25,128	\$422.7	\$200.6
2010	22,729	153	23.0	6.6	71	\$193.9	\$706.1	\$25,136	\$439.6	\$206.6
2011	23,139	154	23.2	6.7	73	\$203.3	\$739.1	\$25,130	\$457.5	\$213.0
2012	23,546	150	23.3	6.7	76	\$213.0	\$773.1	\$25,109	\$476.6	\$219.0
2013	23,957	149	23.5	6.8	76	\$223.1	\$808.0	\$25,058	\$496.6	\$224.8
2014	24,378	152	23.6	6.9	77	\$233.3	\$844.9	\$25,054	\$516.4	\$232.4
2015	24,812	154	23.8	6.9	79	\$244.0	\$883.3	\$25,050	\$536.6	\$239.3
2016	25,260	161	24.0	7.0	80	\$255.4	\$925.2	\$25,064	\$557.7	\$245.1
2017	25,715	164	24.3	7.1	83	\$267.8	\$969.8	\$25,071	\$580.0	\$250.9
2018	26,177	169	24.5	7.2	84	\$280.6	\$1,016.5	\$25,104	\$602.2	\$258.5
2019	26,644	172	24.7	7.2	86	\$294.0	\$1,066.0	\$25,176	\$624.4	\$266.1
2020	27,116	177	24.9	7.3	88	\$307.9	\$1,116.8	\$25,248	\$646.8	\$275.1

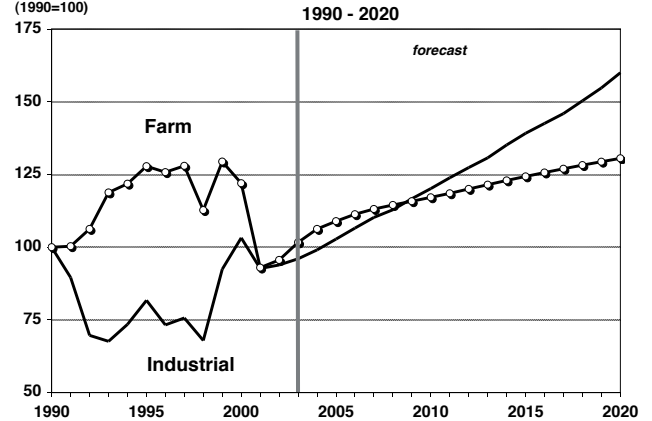
average annual  
percent change

### Real Industrial Production



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

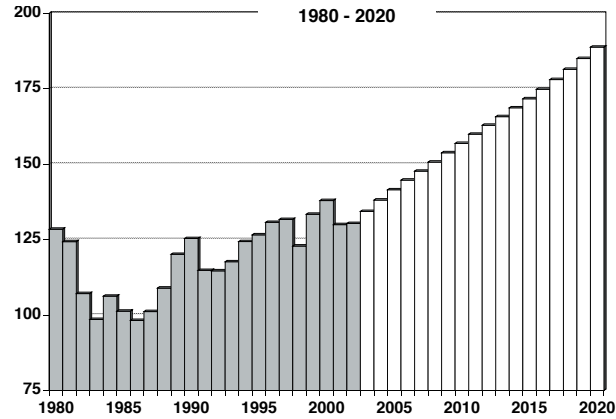


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
6,951	2,401	71	631	453	1,353	158	589	1,297
7,097	2,569	69	685	319	1,371	168	573	1,342
7,677	3,043	77	703	298	1,349	175	651	1,381
7,442	3,028	99	631	218	1,325	156	615	1,370
7,721	2,869	142	666	248	1,328	164	596	1,708
7,603	2,563	126	820	246	1,351	162	568	1,768
7,196	2,100	93	772	256	1,398	160	603	1,814
7,458	2,160	108	730	250	1,420	170	610	2,010
7,672	2,299	115	671	270	1,440	169	627	2,081
7,839	2,331	118	647	285	1,464	170	638	2,186
7,966	2,324	120	634	297	1,491	171	644	2,286
8,099	2,313	121	634	306	1,520	173	649	2,383
8,216	2,295	121	638	313	1,550	175	651	2,474
8,328	2,287	121	641	320	1,581	177	653	2,549
8,454	2,284	122	642	327	1,612	180	656	2,632
8,577	2,281	122	641	334	1,644	182	660	2,714
8,683	2,281	122	641	340	1,675	185	662	2,777
8,776	2,283	122	643	346	1,706	187	663	2,825
8,873	2,286	122	646	353	1,736	190	663	2,878
8,969	2,287	122	651	359	1,765	191	664	2,929
9,082	2,286	123	657	366	1,794	193	666	2,997
9,204	2,283	123	662	373	1,823	195	669	3,076
9,329	2,279	124	666	379	1,852	197	673	3,160
9,456	2,268	125	671	385	1,882	199	678	3,248
9,594	2,259	125	673	392	1,912	201	682	3,349
9,730	2,255	126	678	399	1,943	203	686	3,440

millions of  
2002 dollars

### Real Taxable Retail Sales

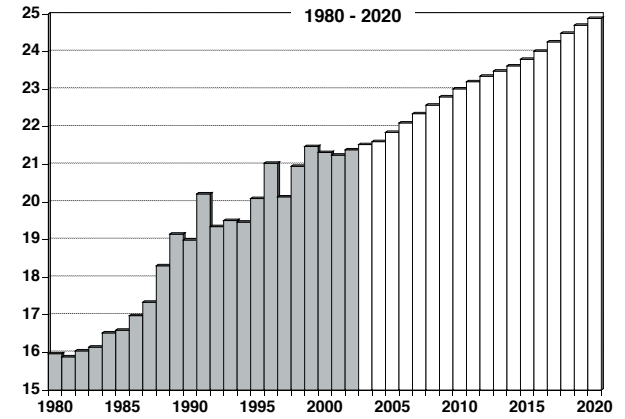
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

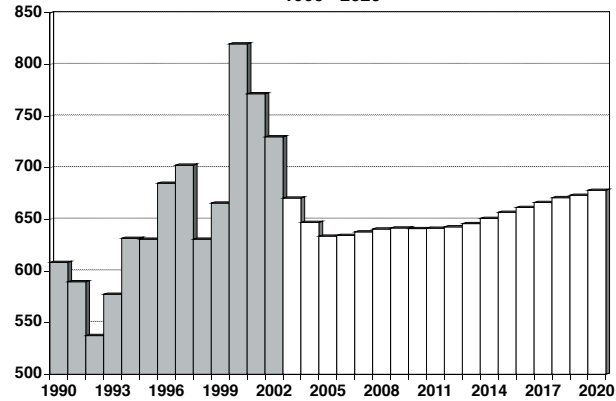
1980 - 2020



jobs

### Employment in Manufacturing

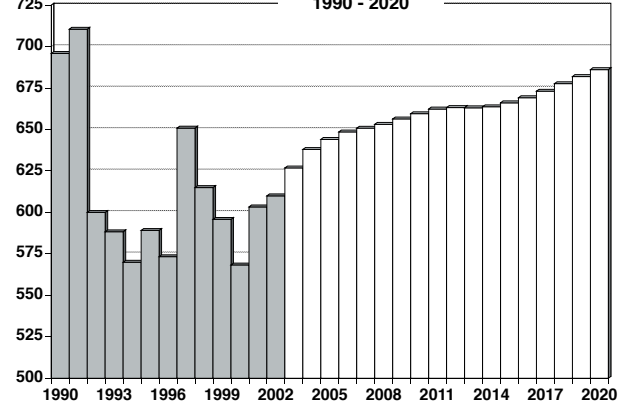
1990 - 2020



jobs

### Employment in Services

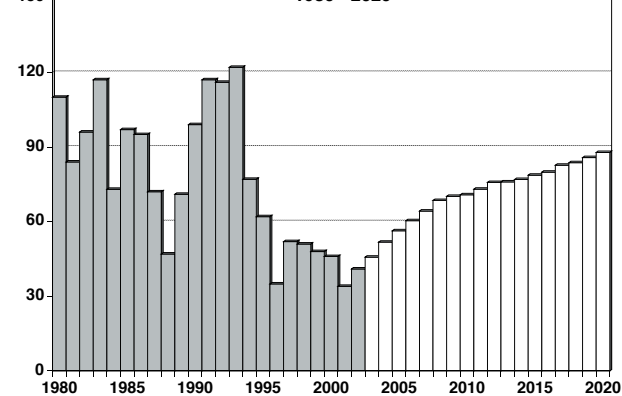
1990 - 2020



units  
permitted

### New Residential Units

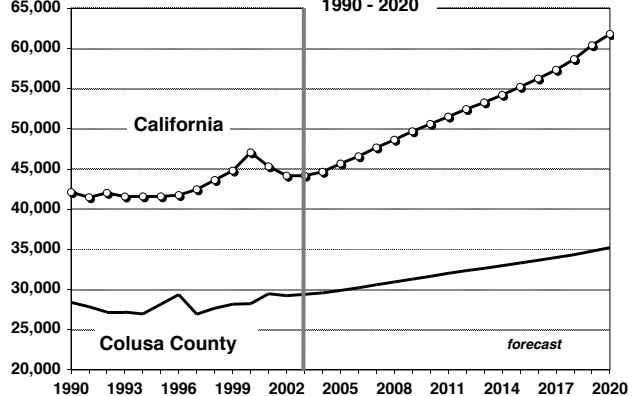
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Colusa County and California

1990 - 2020



# Contra Costa County Economic Forecast

Alameda and Contra Costa Counties define the Oakland Metropolitan Statistical Area (MSA) that is frequently used to report economic activity. The region currently has a population of 2.5 million residents. Total employment in mid-2003 stood at 1.04 million wage and salary workers. The creation of jobs in the region turned negative in 2002, falling 1.2 percent. Job growth, however, remained positive in Contra Costa County.

Contra Costa County boasts relatively high per capita income, averaging \$40,000 per resident in 2002. The unemployment rate in 2002 was 5.5 percent, up sharply from the 3.7 percent recorded in 2001.

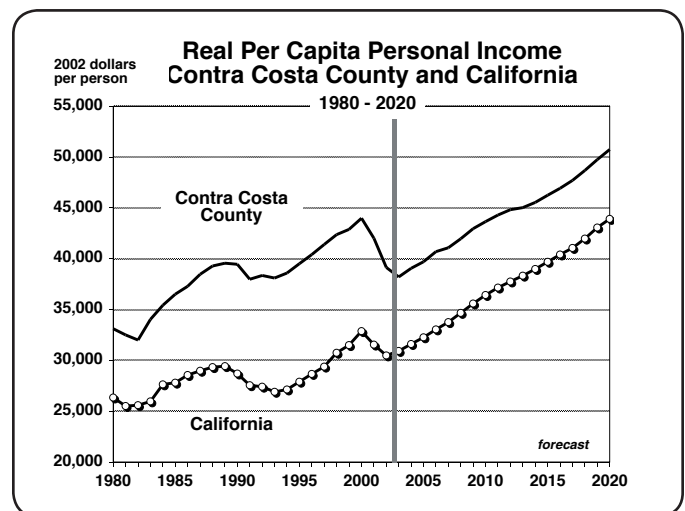
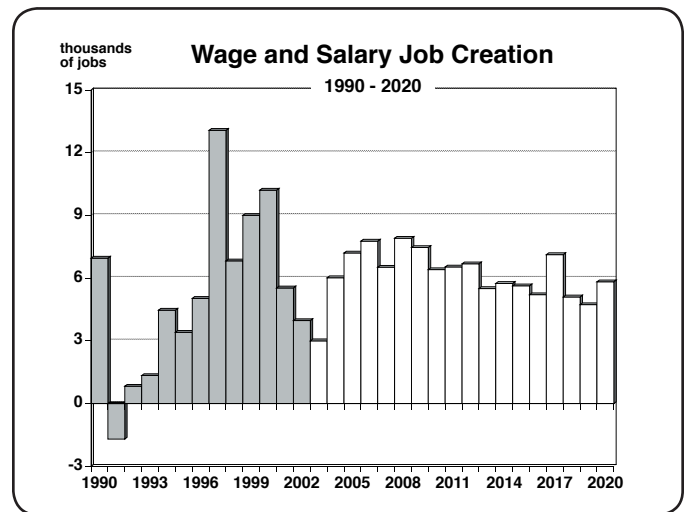
Concord followed by Richmond are the largest cities in the county, and neither is growing much anymore. Population growth rates were quite austere between 2002 and 2003, at less than 0.5 percent. Pittsburg and Brentwood are currently the fastest growing cities. Growth in Contra Costa County produced a net gain in population of 12,300 people in 2002.

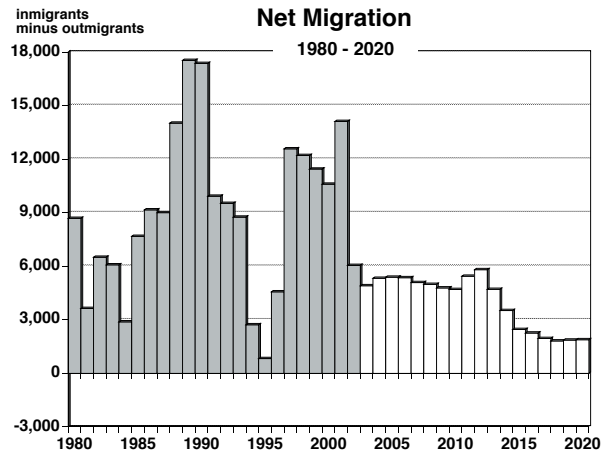
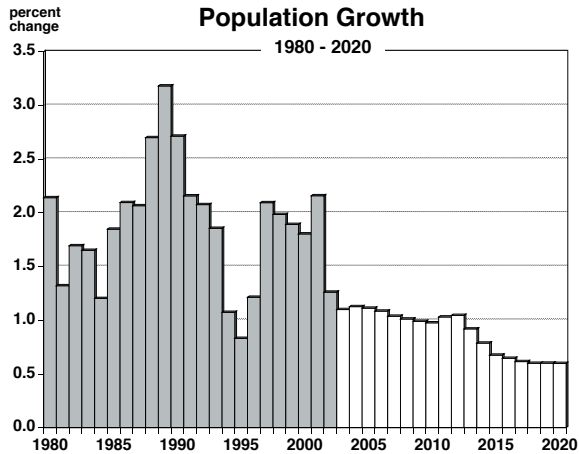
The services sector of Contra Costa County is the principal creator of jobs. Personal, household, professional, and healthcare employment has been rising steadily in the county. The retail sector remains healthy, despite the general economic weakness of the Bay Area economy. State government employment, especially pertaining to education, continues to expand.

The general outlook for the production of housing calls for approximately 5,500 units per year. The median home selling price in the county was \$524,740 in 2002. Over the next 5 years, home prices are forecast to rise an average of 3.3 percent per year, adjusted for inflation.

## Forecast Highlights

- Non-farm job growth is forecast to rise marginally in 2003. Job creation will accelerate, to 1.6 percent in 2004, and 1.9 percent in 2005. The compound rate of job growth averages 2.0 percent between 2003 and 2008.
- Service sector employment in the county will dominate job creation in the future, with 63 percent of all jobs created over the next 5 years. Jobs will concentrate in healthcare, professional services, private education services, and personal services.
- Real per capita incomes increase an average of 1.1 percent per year over the next 5 years in the county. This rate of growth is significantly faster than the average 0.5 percent per year that prevailed between 1997 and 2002. The population ages faster in the county, particularly in the 45 to 64 year old age cohort, which will comprise 28 percent of the total population by the end of the decade.
- Population growth is forecast to slow to 1.1 percent growth over the next 5 years. Migration represents a much greater influence on population growth in Contra Costa than neighboring Alameda County.





## Contra Costa County Economic Forecast

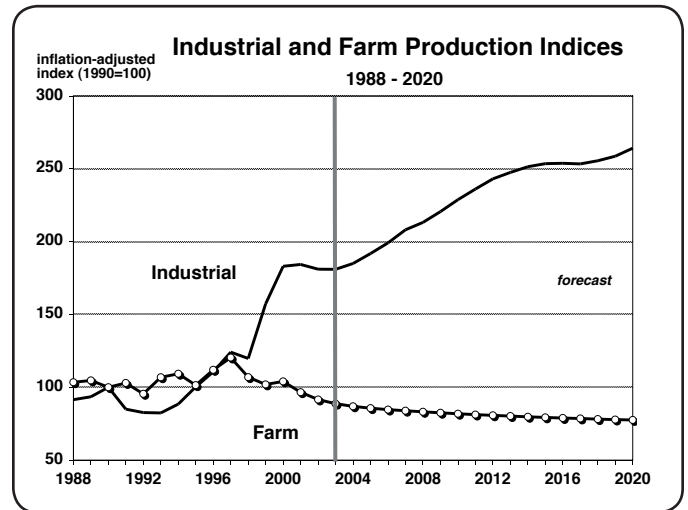
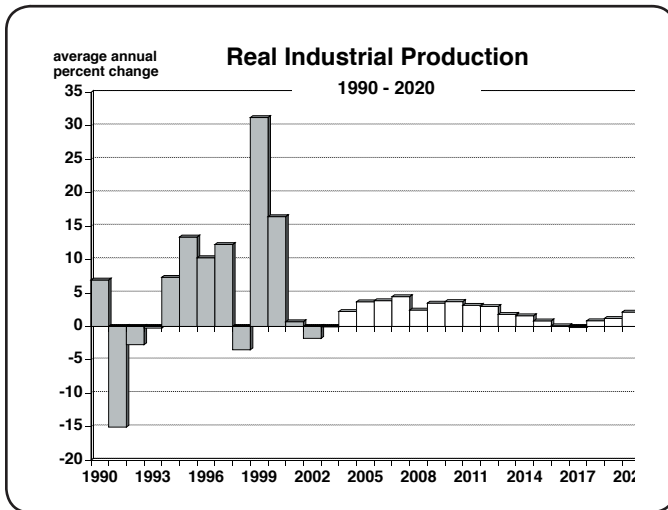
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	872,800	829	729	319.5	3,354	\$5.6	\$27.1	\$39,524	\$74.7	\$10
1996	883,400	4,569	742	322.5	3,552	\$5.9	\$28.7	\$40,422	\$84.4	\$11
1997	901,900	12,576	714	325.7	3,514	\$6.6	\$31.0	\$41,414	\$93.8	\$12
1998	919,800	12,205	762	329.1	4,249	\$7.2	\$33.4	\$42,383	\$86.0	\$12
1999	937,200	11,444	786	332.1	4,563	\$7.7	\$35.9	\$42,900	\$85.4	\$16
2000	954,100	10,593	818	343.3	5,639	\$8.7	\$39.2	\$43,998	\$91.1	\$18
2001	974,700	14,107	849	346.5	5,136	\$8.9	\$40.3	\$42,028	\$89.1	\$18
2002	987,000	6,045	877	351.1	5,609	\$9.0	\$38.6	\$39,151	\$85.9	\$18
2003	997,859	4,910	893	358.7	5,495	\$9.3	\$39.1	\$38,214	\$85.3	\$18
2004	1,009,104	5,321	908	363.1	5,357	\$9.9	\$41.6	\$39,072	\$85.9	\$19
2005	1,020,325	5,387	925	367.5	5,856	\$10.4	\$43.9	\$39,715	\$87.0	\$19
2006	1,031,400	5,357	941	372.4	5,885	\$11.0	\$46.7	\$40,708	\$88.4	\$20
2007	1,042,105	5,087	954	377.4	5,636	\$11.5	\$48.9	\$41,096	\$89.8	\$21
2008	1,052,647	4,981	964	382.2	5,491	\$12.0	\$51.8	\$41,980	\$91.3	\$21
2009	1,063,068	4,789	976	386.9	5,491	\$12.6	\$54.9	\$42,965	\$93.0	\$22
2010	1,073,447	4,700	986	391.7	5,455	\$13.3	\$57.9	\$43,664	\$94.8	\$23
2011	1,084,517	5,438	1,003	396.5	5,303	\$14.0	\$61.1	\$44,311	\$96.9	\$24
2012	1,095,854	5,807	1,016	401.3	5,234	\$14.7	\$64.2	\$44,832	\$99.0	\$24
2013	1,105,929	4,703	1,034	406.1	5,319	\$15.3	\$67.1	\$45,045	\$101.3	\$25
2014	1,114,634	3,519	1,041	410.9	5,318	\$15.9	\$70.3	\$45,561	\$103.5	\$25
2015	1,122,164	2,459	1,058	415.6	5,384	\$16.5	\$73.8	\$46,258	\$105.7	\$25
2016	1,129,415	2,259	1,073	420.3	5,460	\$17.2	\$77.5	\$46,949	\$108.1	\$25
2017	1,136,369	1,955	1,098	425.0	5,489	\$18.1	\$81.6	\$47,728	\$110.8	\$25
2018	1,143,186	1,818	1,114	429.7	5,532	\$18.9	\$86.1	\$48,705	\$113.4	\$26
2019	1,150,051	1,865	1,130	434.5	5,575	\$19.9	\$91.0	\$49,763	\$116.0	\$26
2020	1,156,936	1,885	1,148	439.3	5,679	\$20.8	\$95.8	\$50,763	\$118.6	\$26

- Retail sales are forecast to rise an average 2.5 percent per year between 2003 and 2008. The rate of growth during the 1997 to 2002 period was 2.6 percent per year. Consumer spending has never subsided much

in the county or the Bay Area in general, despite the weakness of the technology sector since the latter part of 2000.

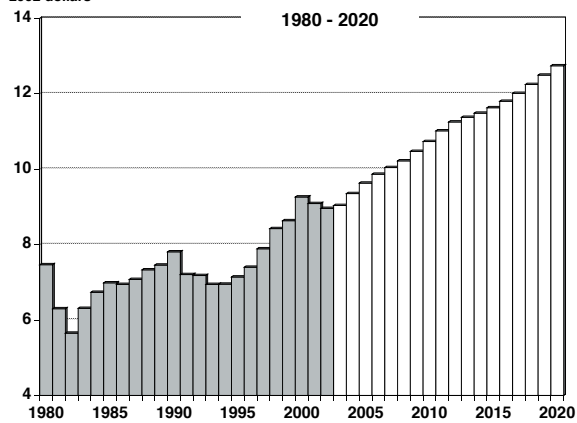




Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
292.7	1.0	19.7	26.6	20.3	66.7	26.7	86.7	45.1
297.7	1.0	20.5	26.0	19.8	68.1	26.0	91.1	45.3
310.8	1.1	22.1	26.0	20.4	68.7	27.9	98.9	45.6
317.6	0.9	23.3	25.6	20.1	70.2	28.1	103.8	45.5
326.6	1.3	26.2	24.4	19.9	72.7	28.5	106.3	47.2
338.3	2.2	28.0	26.3	19.6	73.9	28.5	111.3	48.5
343.8	2.4	29.7	25.9	19.6	74.7	29.1	113.3	49.1
347.8	2.5	28.7	26.1	20.3	74.4	29.2	116.1	50.6
350.8	2.5	28.1	25.7	20.5	74.7	29.3	118.2	51.8
356.8	2.5	28.2	25.7	20.7	75.2	29.4	122.1	53.0
364.0	2.4	28.7	25.4	20.9	75.8	29.6	127.0	54.2
371.8	2.4	29.4	25.0	21.1	76.4	29.9	132.2	55.4
378.3	2.4	30.0	24.6	21.3	77.2	30.3	136.0	56.5
386.2	2.4	30.6	24.6	21.5	77.9	30.8	140.8	57.7
393.7	2.4	31.1	24.7	21.7	78.7	30.6	145.9	58.7
400.1	2.4	31.5	24.4	21.9	79.6	30.7	150.0	59.7
406.6	2.4	32.0	24.4	21.3	80.5	30.5	154.9	60.7
413.3	2.4	32.6	24.1	21.1	81.3	30.5	159.8	61.6
418.8	2.3	32.8	23.7	20.8	82.2	30.3	164.2	62.5
424.6	2.3	32.9	23.3	20.7	83.0	30.6	168.5	63.3
430.2	2.3	32.9	23.3	20.6	83.8	30.7	172.5	64.1
435.4	2.3	32.8	22.6	20.5	84.6	30.9	176.7	64.9
442.5	2.3	32.9	22.0	20.2	85.4	31.1	182.9	65.7
447.6	2.3	32.9	21.7	19.8	86.2	31.4	186.8	66.5
452.4	2.3	33.0	21.2	19.5	87.0	31.8	190.2	67.3
458.2	2.3	33.0	21.1	19.4	87.8	31.6	194.7	68.2

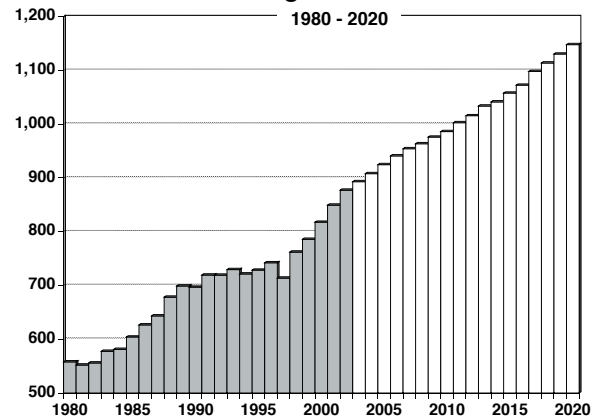
billions of  
2002 dollars

### Real Taxable Retail Sales



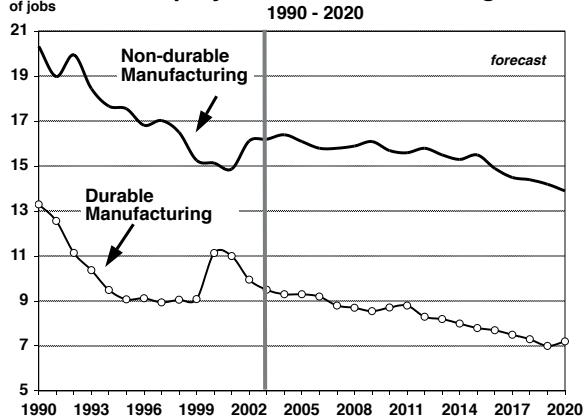
thousands of  
vehicles

### Total Registered Vehicles



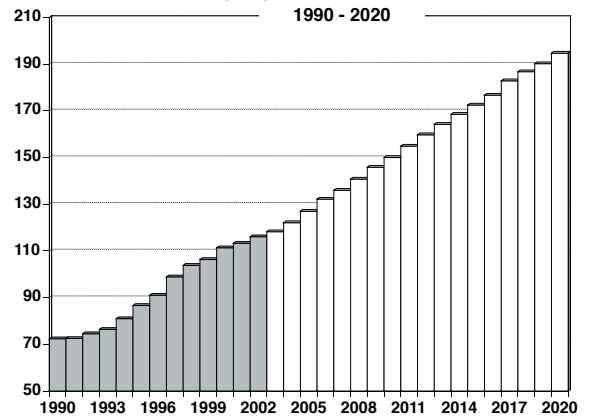
thousands of  
jobs

### Employment in Manufacturing



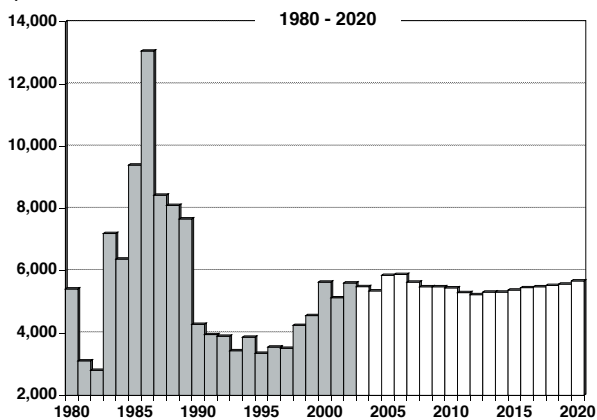
thousands of  
jobs

### Employment in Services



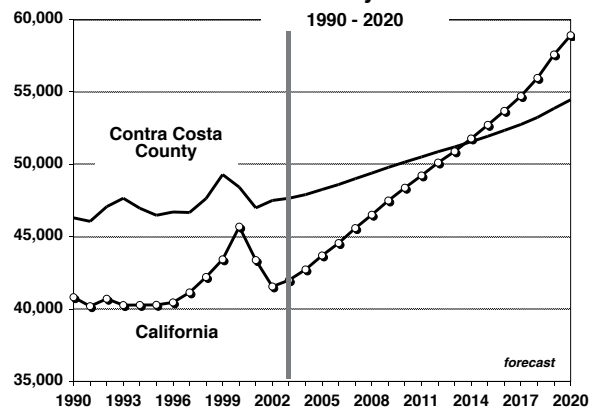
units  
permitted

### New Residential Units



2002 dollars  
per worker

### Real Earnings per Worker Contra Costa County and California



# Del Norte County Economic Forecast

Del Norte is California's northern-most coastal county. Redwood National Park and other state parks located in the county are home to some of the world's tallest trees. Vacationers come from around the world to visit the giant redwoods of Del Norte County.

The population of Del Norte County in January of 2003 was 27,850. Crescent City is the only incorporated area of the county, with 7,325 residents. By the year 2010, Del Norte's population is projected to grow to 30,400, an increase of 10 percent over the current population.

The county's unemployment rate in 2002 was 9.3 percent, compared to a statewide annual average unemployment rate of 6.6 percent. With tourism and recreation as vital factors in the local economy, Del Norte County is more likely to have seasonal variations in employment patterns.

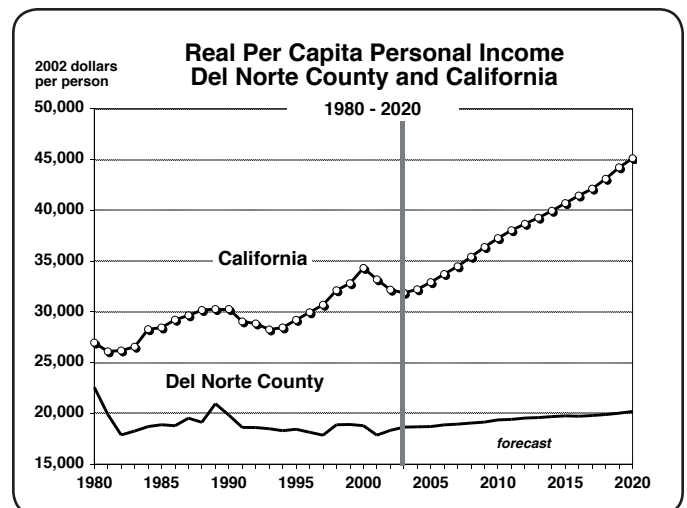
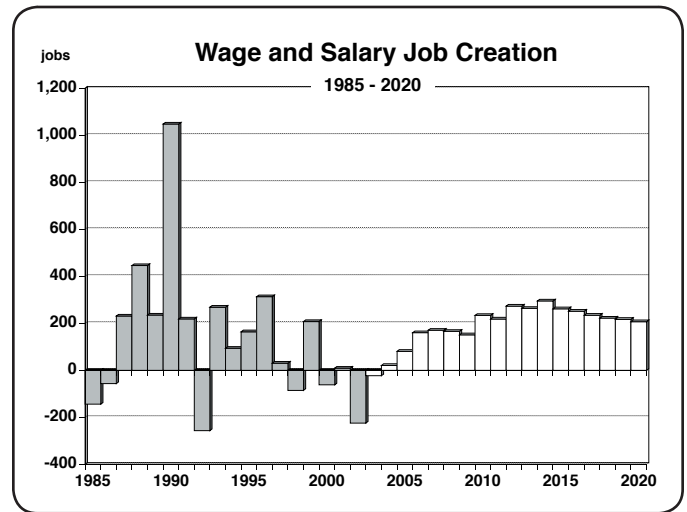
Over the last decade, environmental constraints have changed the job market in many Northern California counties. Historically jobs were concentrated in the timber industry, but that sector has been subject to substantial downsizing in recent years. Faced with continuing declines in the economy, the county brought in Pelican Bay State Prison in 1990, which now accounts for over 1,000 jobs. The prison is the county's largest employer and government is the predominant industry. The government sector represents 44 percent of the total employment in the county.

Combined, the retail trade and services industries account for almost 40 percent of the total employment, validating the strength of tourism and recreation as key economic activities in the local economy.

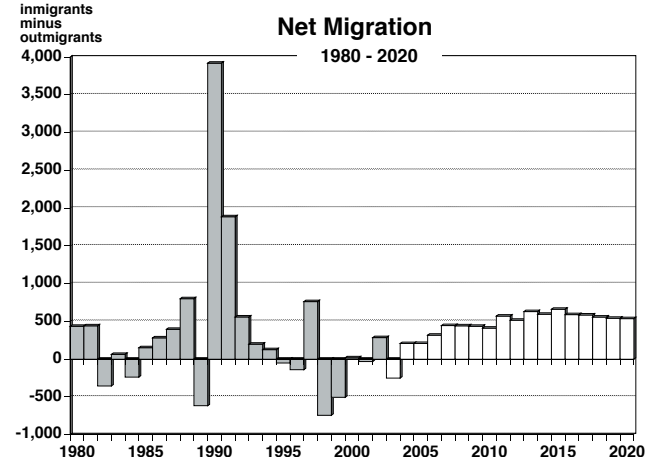
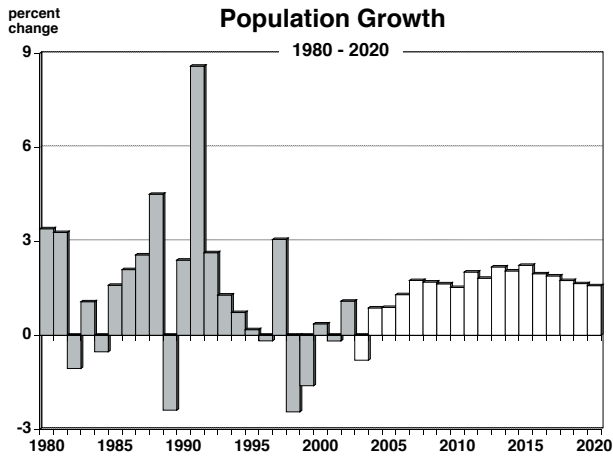
Consequently, three sectors of the economy (government, retail trade and services) comprise nearly 85 percent of the jobs in Del Norte County, and these three sectors will remain the engines of growth for the foreseeable future. Between 2003 and 2008, all of the 600 new jobs forecast for Del Norte County are in services, retail trade, and government.

## Forecast Highlights

- Total non-farm employment is forecast to grow 1.6 percent per year between 2003 and 2008. The principal sectors of growth are government, services, and retail trade.



- Inflation-adjusted per capita income is projected to rise an average of 0.4 percent per year over the next 5 years. Total income (inflation adjusted) in the county grows at a 1.7 percent rate per year for the next 5 years.
- Population growth accelerates over the next 5 years, averaging 1.3 percent growth per year. This compares to the slightly negative growth in population that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and positive net migration are responsible for the higher rate of population growth projected during the decade. Net migration averages 228 people per year between 2003 and 2008.

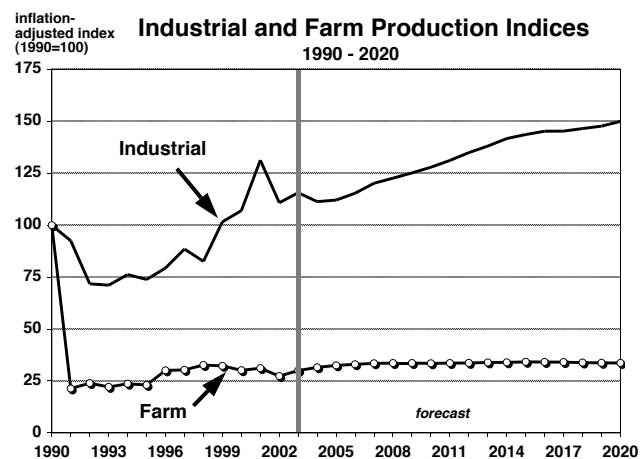
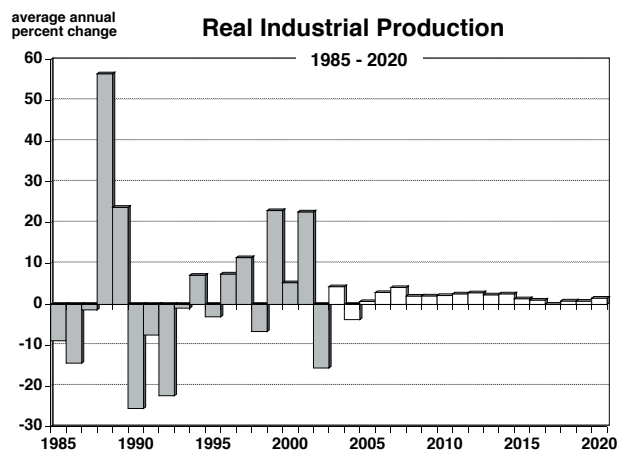


## Del Norte County Economic Forecast

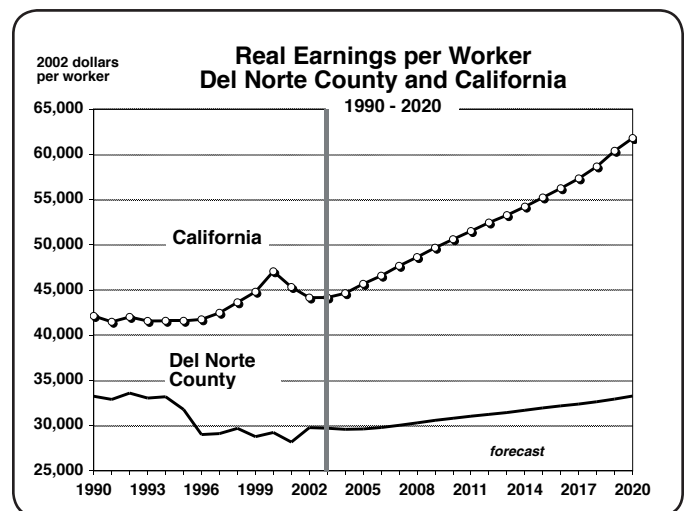
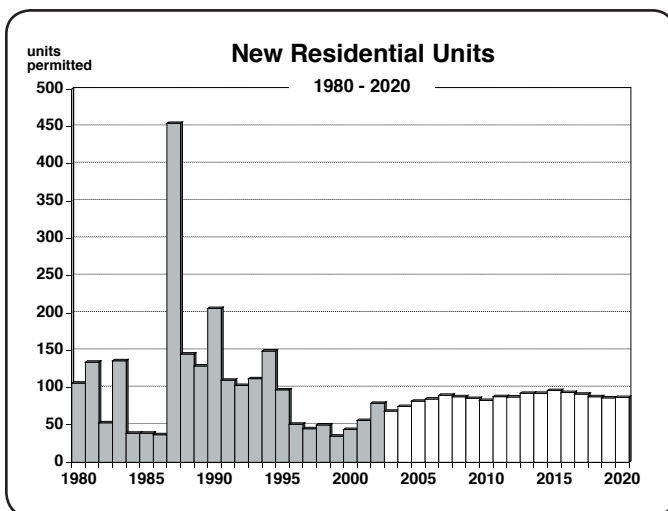
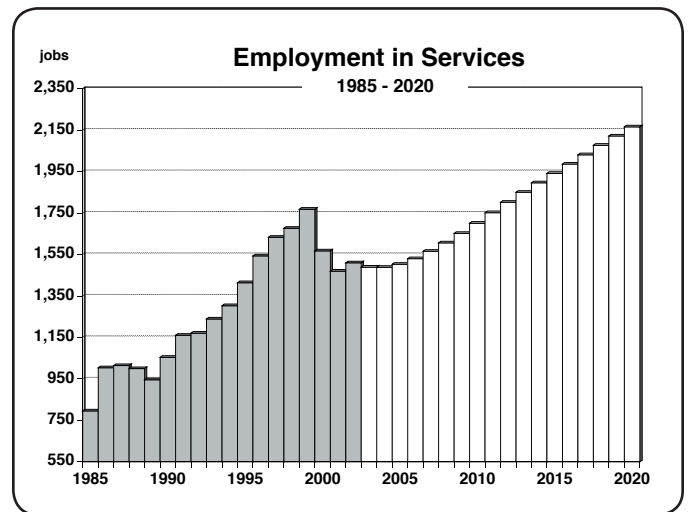
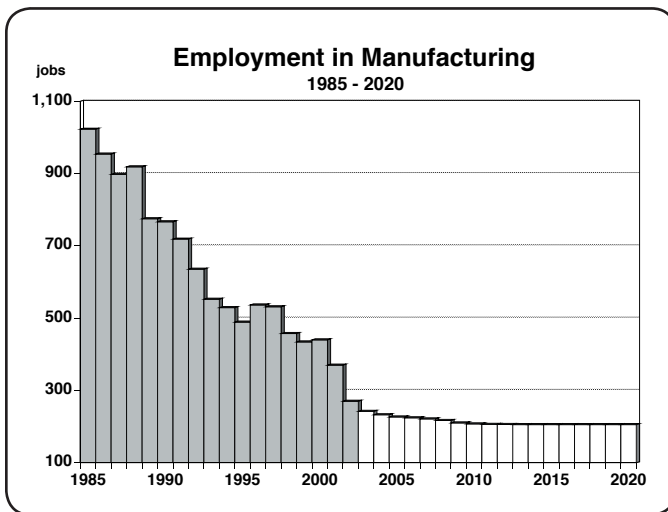
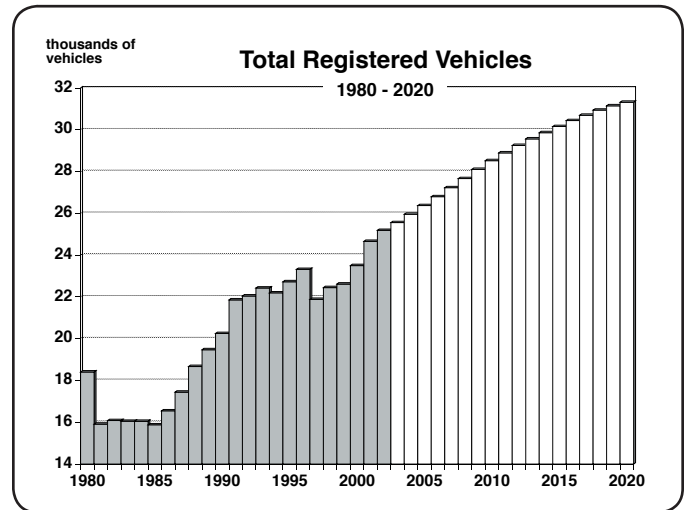
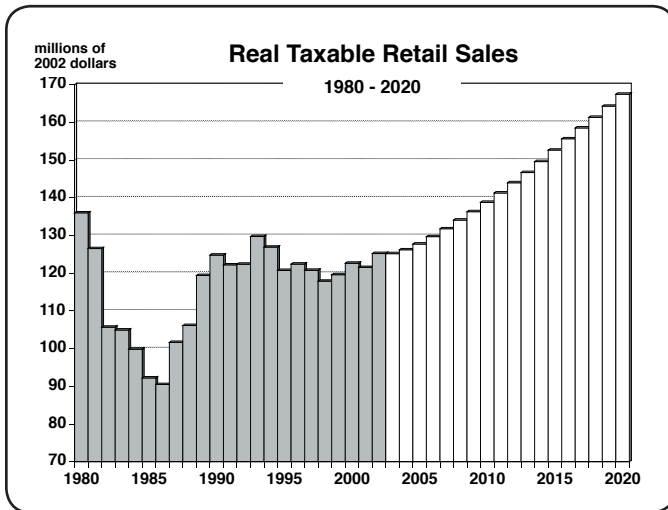
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	27,850	-50	22.7	8.9	97	\$94.8	\$403.3	\$18,441	\$19.5	\$123.4
1996	27,800	-138	23.3	9.0	51	\$98.4	\$405.0	\$18,134	\$26.1	\$132.6
1997	28,650	763	21.9	9.2	45	\$100.4	\$424.9	\$17,849	\$27.1	\$147.8
1998	27,950	-742	22.4	9.3	50	\$101.1	\$452.6	\$18,885	\$30.2	\$138.0
1999	27,500	-505	22.6	9.4	35	\$106.9	\$464.5	\$18,899	\$31.1	\$169.7
2000	27,600	19	23.5	9.2	44	\$114.5	\$484.1	\$18,785	\$30.3	\$178.7
2001	27,550	-31	24.7	9.2	56	\$119.6	\$483.7	\$17,845	\$33.0	\$219.3
2002	27,850	287	25.2	9.3	79	\$125.2	\$510.4	\$18,328	\$29.4	\$185.0
2003	27,628	-250	25.6	9.3	69	\$128.3	\$528.1	\$18,645	\$33.2	\$193.1
2004	27,869	208	26.0	9.4	75	\$133.0	\$548.5	\$18,677	\$35.8	\$185.9
2005	28,117	209	26.4	9.5	82	\$138.4	\$569.6	\$18,705	\$37.9	\$187.2
2006	28,482	319	26.8	9.5	85	\$144.3	\$598.0	\$18,867	\$39.6	\$192.7
2007	28,980	446	27.2	9.6	90	\$150.5	\$626.8	\$18,942	\$41.2	\$200.6
2008	29,473	442	27.7	9.7	88	\$157.1	\$658.0	\$19,052	\$42.5	\$204.7
2009	29,957	436	28.1	9.8	86	\$163.9	\$689.5	\$19,143	\$43.5	\$209.0
2010	30,414	412	28.5	9.8	83	\$171.5	\$727.8	\$19,363	\$44.6	\$213.6
2011	31,027	571	28.9	9.9	88	\$179.6	\$765.6	\$19,414	\$46.1	\$219.1
2012	31,593	517	29.2	10.0	88	\$188.3	\$807.3	\$19,540	\$47.4	\$225.3
2013	32,282	630	29.6	10.1	92	\$197.5	\$850.9	\$19,583	\$49.2	\$230.6
2014	32,945	595	29.9	10.2	92	\$206.9	\$897.0	\$19,683	\$50.7	\$236.6
2015	33,680	662	30.2	10.2	96	\$216.9	\$945.7	\$19,758	\$52.4	\$239.9
2016	34,341	591	30.4	10.3	94	\$227.4	\$989.8	\$19,725	\$53.8	\$242.5
2017	34,992	586	30.7	10.4	91	\$238.4	\$1,042.0	\$19,795	\$55.2	\$242.6
2018	35,604	558	30.9	10.5	88	\$249.5	\$1,095.1	\$19,886	\$56.5	\$244.6
2019	36,190	543	31.1	10.6	86	\$261.1	\$1,151.3	\$20,018	\$57.8	\$246.6
2020	36,763	537	31.3	10.6	87	\$273.1	\$1,210.8	\$20,191	\$59.2	\$250.4

- The number of residential unit permits forecast for the 2003 to 2008 period averages 81 per year, an increase over the number of housing units permitted between 1997 and 2002. During that period, the average per year was 51 homes.



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
7,471	478	200	489	228	1,690	159	1,414	2,813
7,784	485	173	537	245	1,660	156	1,543	2,985
7,815	457	192	532	257	1,569	151	1,633	3,025
7,730	439	199	458	251	1,498	144	1,677	3,064
7,938	449	204	434	265	1,531	143	1,768	3,143
7,876	448	203	440	245	1,518	128	1,568	3,327
7,885	412	336	370	236	1,525	127	1,470	3,410
7,661	410	281	270	230	1,430	140	1,510	3,390
7,638	410	304	242	228	1,391	141	1,489	3,434
7,659	410	281	233	226	1,386	142	1,489	3,492
7,740	410	275	227	225	1,400	143	1,503	3,557
7,900	410	278	224	224	1,426	145	1,530	3,662
8,071	410	284	221	223	1,458	147	1,566	3,761
8,237	410	290	217	222	1,494	149	1,606	3,847
8,388	411	291	210	222	1,531	151	1,652	3,921
8,622	410	290	207	221	1,570	153	1,701	4,069
8,840	411	291	206	220	1,609	156	1,752	4,196
9,114	411	294	206	219	1,651	158	1,802	4,374
9,377	411	297	206	218	1,693	161	1,850	4,543
9,673	411	300	206	218	1,736	163	1,896	4,743
9,935	411	303	206	217	1,780	165	1,941	4,912
10,186	411	305	206	216	1,824	168	1,986	5,071
10,421	411	304	205	216	1,866	170	2,031	5,218
10,643	411	301	205	215	1,907	172	2,077	5,355
10,860	411	298	205	214	1,948	175	2,122	5,488
11,067	411	295	205	213	1,990	177	2,166	5,610



# El Dorado County Economic Forecast

Considered one of the most diversified recreational areas in California, the El Dorado National Forest is one of the most heavily used wilderness areas in the nation. The Sierra Nevada Mountains, the north fork of the American River, and Lake Tahoe are just some of the county's natural attractions. Not surprisingly, the county economy is heavily dependent on recreation and tourism.

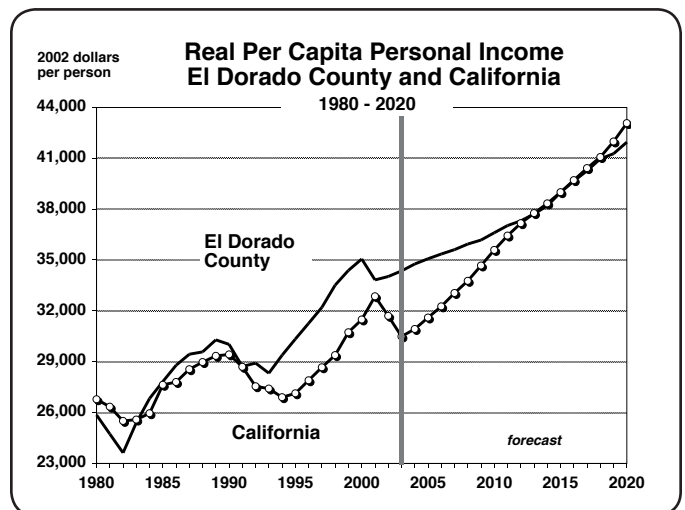
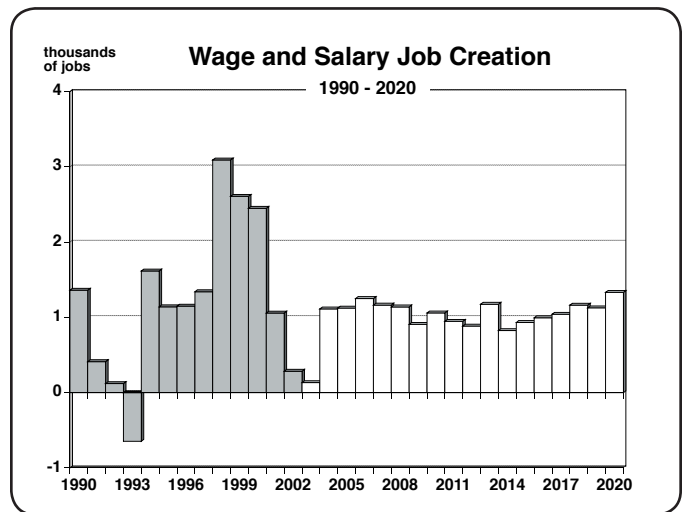
The County of El Dorado grew very fast between 1990 and 2000, but growth has slowed since the Census. According to the 2002 official population estimates for California counties, the population of El Dorado County to 165,200 in 2002.

Net migration has been the principal source of new population in El Dorado County. Last year, a net estimate of 2,541 persons migrated into the county, following the surge of nearly 3,300 net migrants in 2001. Over the last three years, housing production has kept pace with the growth of population. Less production of housing is forecast for the future, due to land use constraints in the county.

While much of El Dorado is known for recreation and tourism, the western slope of the county is emerging as an information technology center. The combination of healthy labor market conditions and the county's quality of life are attracting businesses involved in computer billing, software consulting, and research and development to El Dorado. These trends should continue. Growth over the next 5 years is projected in all major industries but especially in manufacturing and the services, including information services.

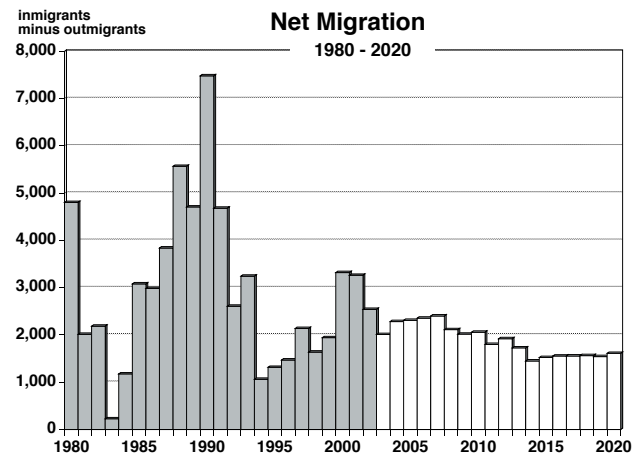
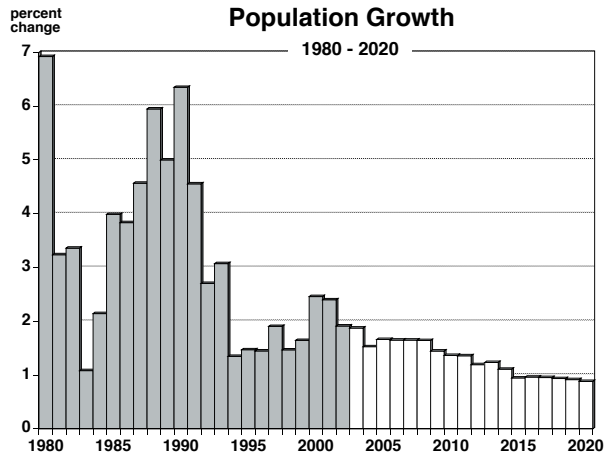
## Forecast Highlights

- Job growth averages 2.4 percent per year between 2003 and 2008. An estimated 1,000 jobs will be created in the county in 2004.
- Employment growth in services averages 2.5 percent per year between 2003 and 2008. Most of the jobs created in the county will be in the services sector, including professional, information, and personal services. Older age populations will demand more services in healthcare.
- Population growth slows over the next 5 years. The compound annual growth in the 2003 to 2008 period averages 1.6 percent per year. Births, which have



already begun increasing again in the county, rise an average of 1.6 percent per year during the decade.

- More housing and employment opportunities in the region provide an avenue for growth in El Dorado County. Because of land constraints, new residential building is forecast to taper off for the foreseeable future. An average of 1,500 new homes are built each year between 2003 and 2008.
- Real per capita incomes rise at an annual compound rate of 0.9 percent over the next 5 years. Average per capita incomes (adjusted for inflation) are forecast to reach \$35,000 per person in 2005, a level exceeding the average per capita income for all Californians.



## El Dorado County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	144,900	1,316	151,069	52.0	880	\$0.7	\$3.5	\$30,338	\$15.0	\$0.9
1996	147,000	1,472	154,072	52.8	1,486	\$0.7	\$3.7	\$31,266	\$21.6	\$1.1
1997	149,800	2,138	148,121	53.6	1,079	\$0.7	\$4.0	\$32,205	\$23.2	\$1.2
1998	152,000	1,638	159,235	54.7	1,172	\$0.7	\$4.4	\$33,521	\$18.7	\$1.2
1999	154,500	1,944	165,774	55.6	1,435	\$0.8	\$4.7	\$34,388	\$19.7	\$1.7
2000	158,300	3,321	177,465	58.8	1,562	\$0.9	\$5.2	\$35,064	\$24.1	\$2.2
2001	162,100	3,263	188,413	59.8	2,174	\$1.0	\$5.4	\$33,828	\$25.5	\$2.4
2002	165,200	2,541	197,528	61.1	1,947	\$1.0	\$5.6	\$34,028	\$26.5	\$2.3
2003	168,296	2,011	205,091	62.7	1,729	\$1.0	\$5.9	\$34,354	\$28.0	\$2.3
2004	170,867	2,284	212,398	64.1	1,643	\$1.1	\$6.3	\$34,767	\$29.2	\$2.4
2005	173,706	2,310	216,930	65.5	1,568	\$1.1	\$6.6	\$35,078	\$30.3	\$2.5
2006	176,575	2,356	221,460	66.8	1,535	\$1.2	\$6.9	\$35,354	\$31.3	\$2.6
2007	179,489	2,404	226,010	68.1	1,526	\$1.2	\$7.3	\$35,614	\$32.5	\$2.7
2008	182,438	2,113	230,508	69.3	1,466	\$1.3	\$7.7	\$35,945	\$33.8	\$2.8
2009	185,078	2,018	234,926	70.6	1,438	\$1.4	\$8.1	\$36,181	\$34.2	\$2.9
2010	187,605	2,059	239,299	71.7	1,432	\$1.4	\$8.5	\$36,608	\$34.7	\$3.0
2011	190,154	1,800	243,553	72.9	1,405	\$1.5	\$9.0	\$37,035	\$35.2	\$3.1
2012	192,425	1,923	247,517	74.1	1,399	\$1.6	\$9.4	\$37,312	\$35.7	\$3.1
2013	194,801	1,728	250,935	75.3	1,324	\$1.7	\$9.9	\$37,714	\$36.5	\$3.1
2014	196,963	1,452	253,731	76.4	1,284	\$1.8	\$10.4	\$38,202	\$37.4	\$3.2
2015	198,826	1,524	256,158	77.4	1,245	\$1.9	\$11.0	\$38,995	\$38.3	\$3.2
2016	200,739	1,555	258,510	78.4	1,256	\$1.9	\$11.6	\$39,659	\$39.5	\$3.2
2017	202,656	1,557	260,822	79.5	1,230	\$2.1	\$12.3	\$40,273	\$40.9	\$3.3
2018	204,551	1,565	263,159	80.5	1,193	\$2.2	\$13.0	\$40,971	\$42.5	\$3.3
2019	206,425	1,544	265,504	81.5	1,159	\$2.3	\$13.5	\$41,271	\$44.0	\$3.4
2020	208,247	1,612	267,895	82.5	1,124	\$2.4	\$14.3	\$41,952	\$45.4	\$3.6

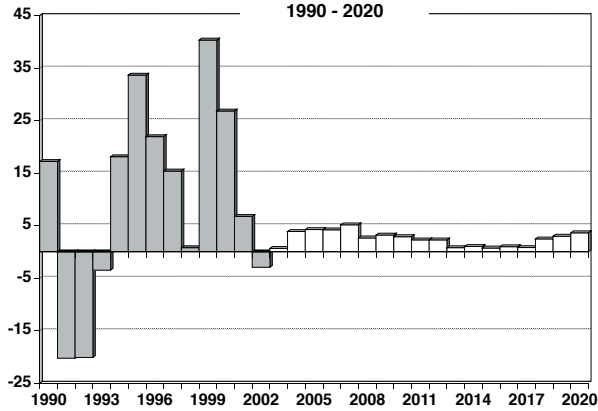
- The median home selling price in El Dorado County was \$271,800 in 2002. Over the forecast horizon, the median price rises an average of 3.7 percent per year, adjusted for inflation. This is a moderate decline from the 7.8 percent average real appreciation per year between 1997 and 2002.



average annual  
percent change

### Real Industrial Production

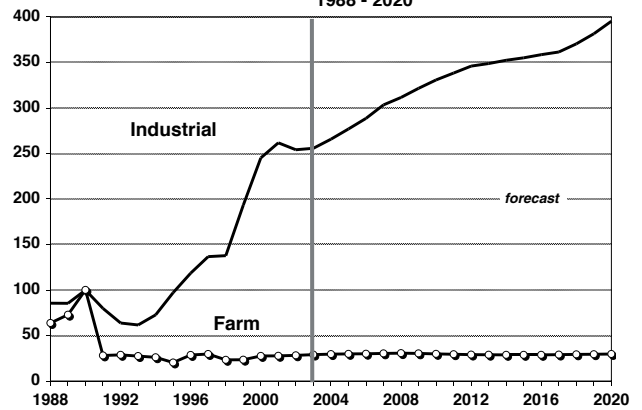
1990 - 2020



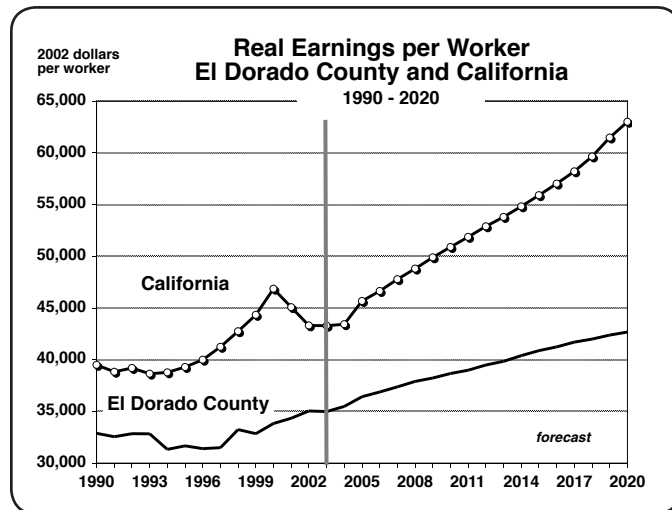
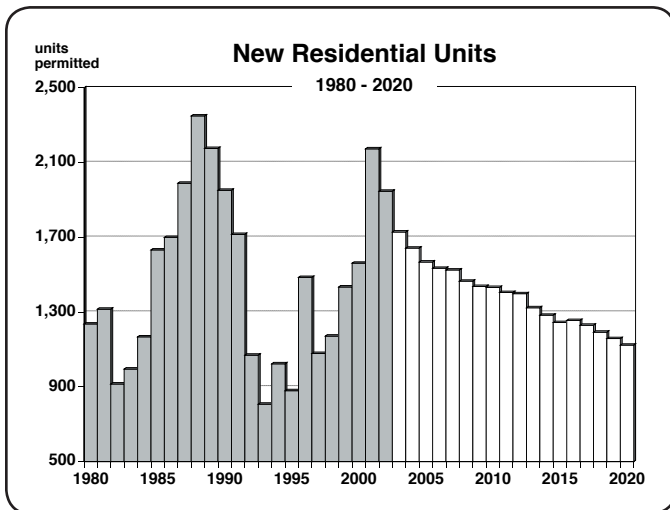
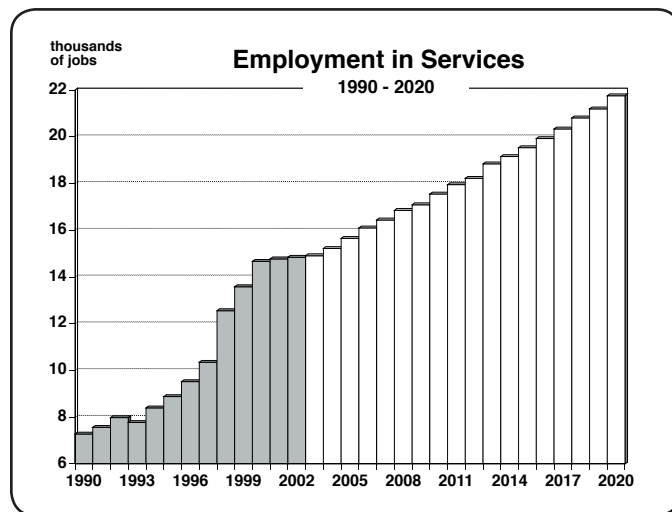
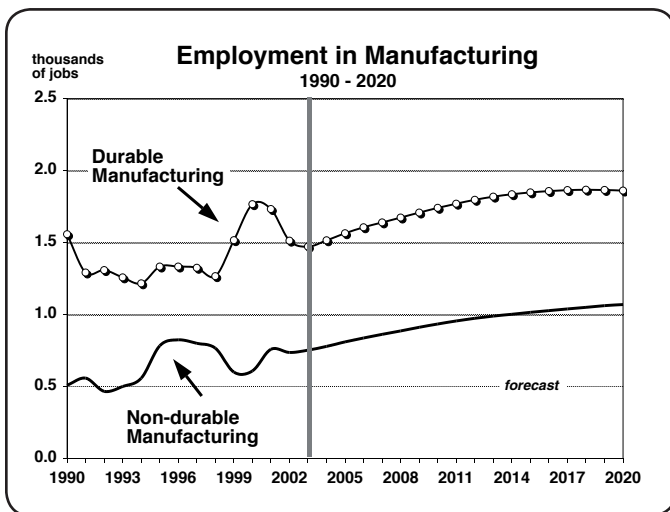
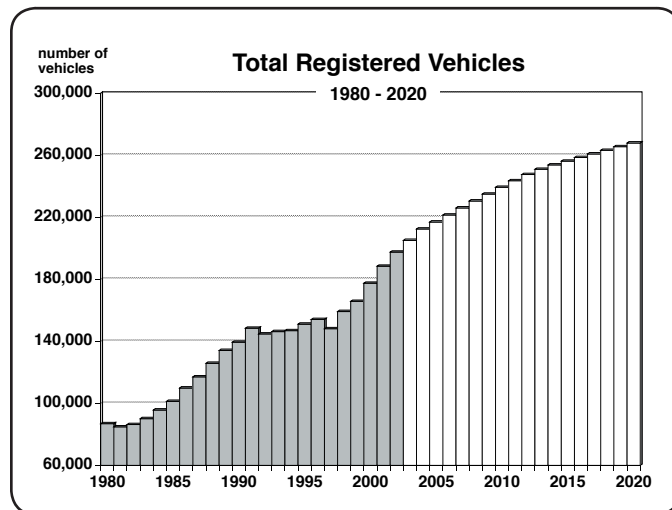
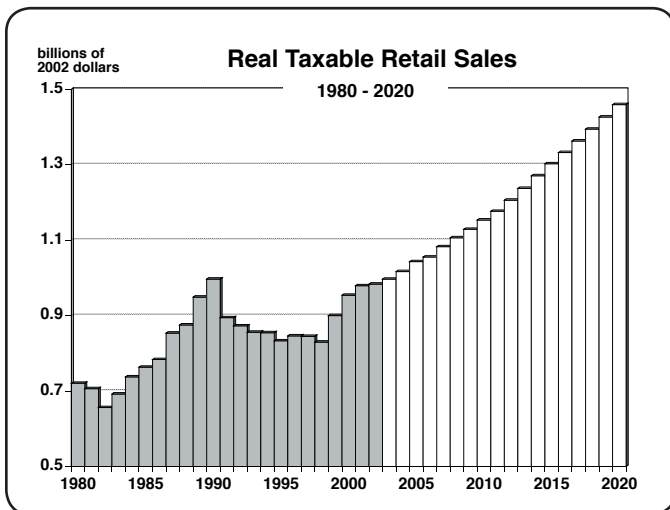
inflation-adjusted  
index (1990=100)

### Industrial and Farm Production Indices

1988 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
33.4	0.342	2.3	2.1	1.1	9.3	1.5	8.9	7.9
34.6	0.392	2.6	2.2	1.1	9.2	1.4	9.5	8.2
35.9	0.383	2.7	2.1	1.2	9.3	1.4	10.4	8.4
39.0	0.308	3.1	2.0	1.3	9.6	1.6	12.6	8.5
41.6	0.342	3.5	2.1	1.3	10.2	1.6	13.6	8.9
44.1	0.392	4.1	2.4	1.2	10.7	1.7	14.7	8.9
45.1	0.325	4.6	2.5	1.3	10.5	2.0	14.8	9.2
45.4	0.400	4.6	2.3	1.1	10.8	1.9	14.8	9.5
45.5	0.233	4.6	2.2	1.1	11.1	2.0	14.9	9.4
46.6	0.255	4.6	2.3	1.2	11.3	2.1	15.2	9.7
47.8	0.298	4.7	2.4	1.2	11.4	2.2	15.7	10.0
49.0	0.332	4.8	2.4	1.2	11.6	2.2	16.1	10.3
50.2	0.356	4.9	2.5	1.2	11.8	2.3	16.4	10.7
51.3	0.375	5.0	2.6	1.2	12.1	2.3	16.9	10.9
52.2	0.389	5.0	2.6	1.3	12.4	2.4	17.1	11.1
53.3	0.403	5.0	2.7	1.3	12.6	2.5	17.6	11.3
54.2	0.416	5.0	2.7	1.3	13.0	2.5	18.0	11.4
55.1	0.430	5.0	2.8	1.3	13.3	2.6	18.2	11.6
56.3	0.446	4.9	2.8	1.3	13.6	2.6	18.8	11.8
57.1	0.462	4.8	2.8	1.3	13.9	2.7	19.2	12.0
58.1	0.481	4.8	2.9	1.3	14.2	2.7	19.5	12.2
59.1	0.502	4.8	2.9	1.3	14.5	2.8	19.9	12.3
60.1	0.526	4.9	2.9	1.3	14.8	2.8	20.3	12.5
61.3	0.551	4.9	2.9	1.4	15.1	2.9	20.8	12.8
62.4	0.579	5.0	2.9	1.4	15.4	2.9	21.2	13.0
63.7	0.608	5.1	2.9	1.4	15.7	3.0	21.8	13.3



# Fresno County Economic Forecast

Fresno County serves as a financial, trade, commercial, and educational center for central California. In addition to an extensive highway system, several motor freight carriers and an extensive railway network, the county includes the Fresno-Yosemite International Airport.

Over half of all county residents (448,500) live in the city of Fresno, easily making it the largest city in the county. According to population projections, Fresno County will grow to over 1 million residents by the year 2012, an increase of 18 percent over current 2003 estimates.

## Population • January 2003

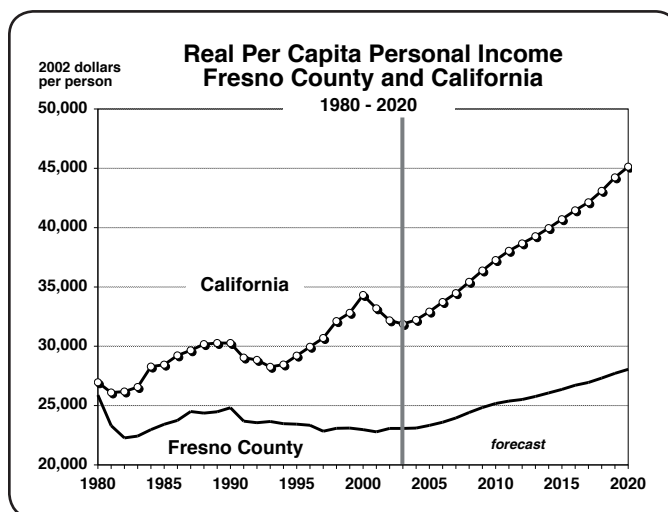
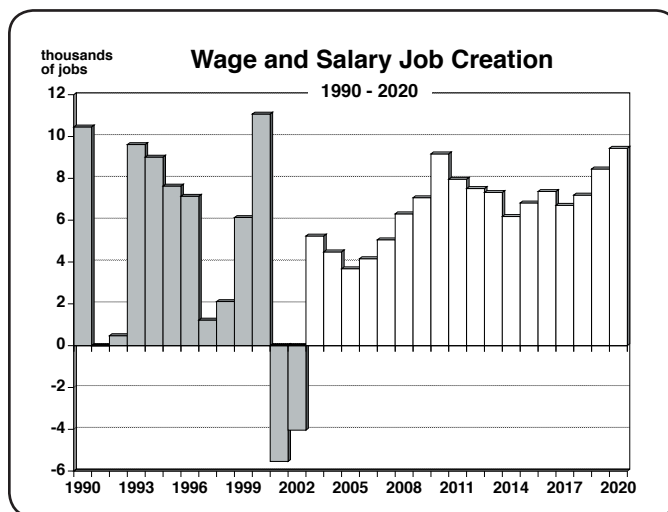
City	Population	2002-2003 % change
Fresno	448,500	1.4
Clovis	76,000	4.3
Reedley	21,350	0.7
Selma	20,900	2.7
Sanger	19,900	1.8
<b>Total County</b>	<b>841,400</b>	<b>1.7</b>

Adjusted for inflation, crop values have not been rising over time. Crop output has been relatively constant for a number of years in the county. Jobs in farming have been in steady decline as a percent of all job sectors. In 2002, farm jobs accounted for 11.5 percent of all wage and salary jobs in Fresno County. Ten years earlier, the farm sector represented 17 percent of total employment.

As a result of the high concentration of agriculture influencing the county's labor markets, the unemployment rate is relatively high—14.4 percent in 2002, compared to 6.7 percent for the entire State of California.

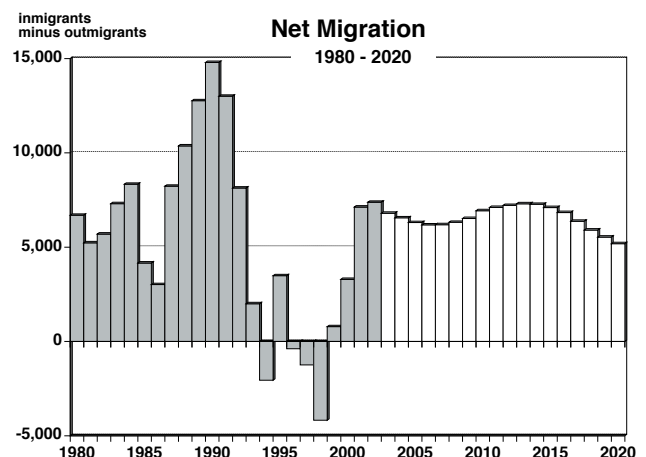
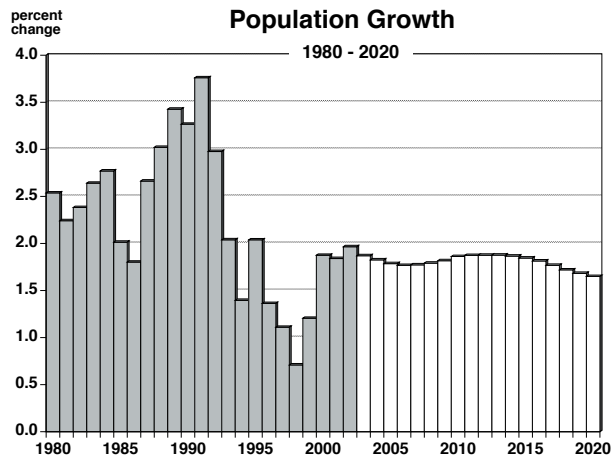
The county is becoming increasingly diversified however, with the services sector contributing 7,000 new jobs over the past 5 years. The largest share of the new jobs was reported by the government sector (up 20 percent since 1997), with local government, specifically education, accounting for nearly all of the growth.

Consequently, over both the short and long run forecast horizon, the influence of farming jobs on the Fresno labor markets, diminishes over time, giving way to more jobs in healthcare services, professional services, and manufacturing.



## Forecast Highlights

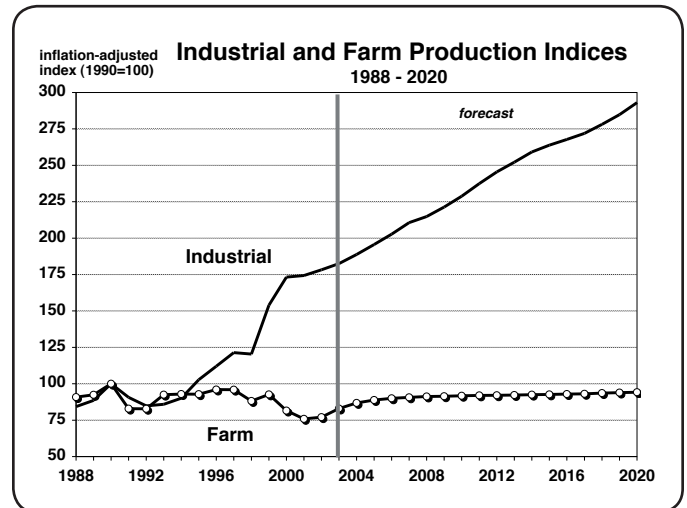
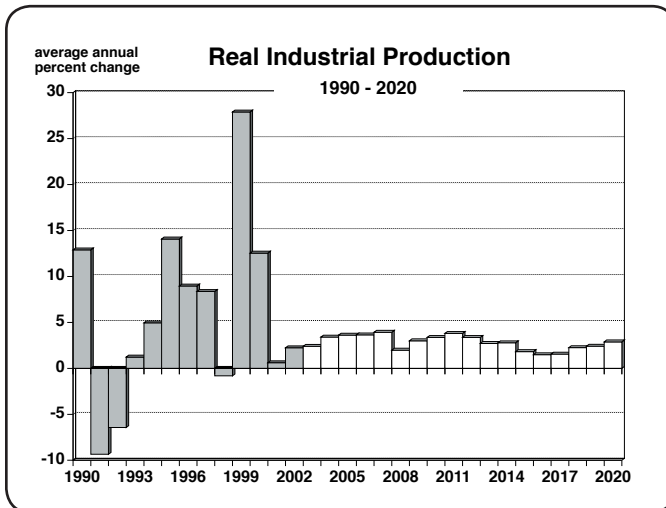
- Total jobs in the county increase an average of 1.4 percent per year between 2003 and 2008. The forecast rate of job growth is higher than the 1997 to 2002 period when employment growth averaged 0.6 percent per year.
- Population growth averages 1.7 percent per year between 2003 and 2008. This forecast rate of growth is higher than the 1.5 percent per year average growth from 1997 to 2002. Net migration is expected to average between 6,000 and 7,000 persons per year.



## Fresno County Economic Forecast 1995-2002 History, 2003-2020 Forecast

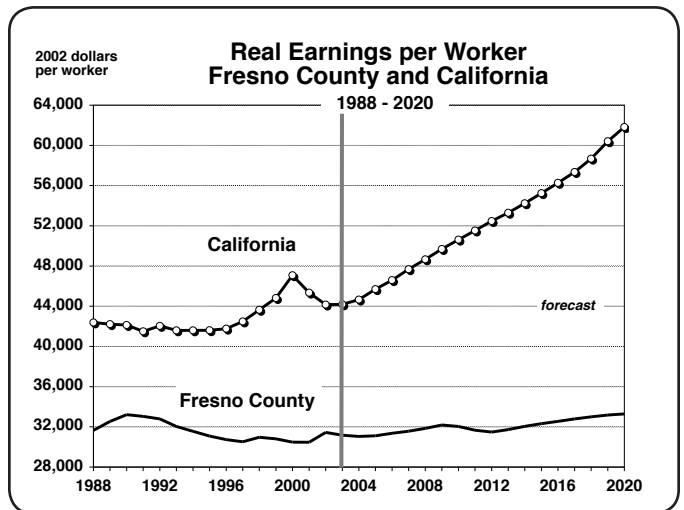
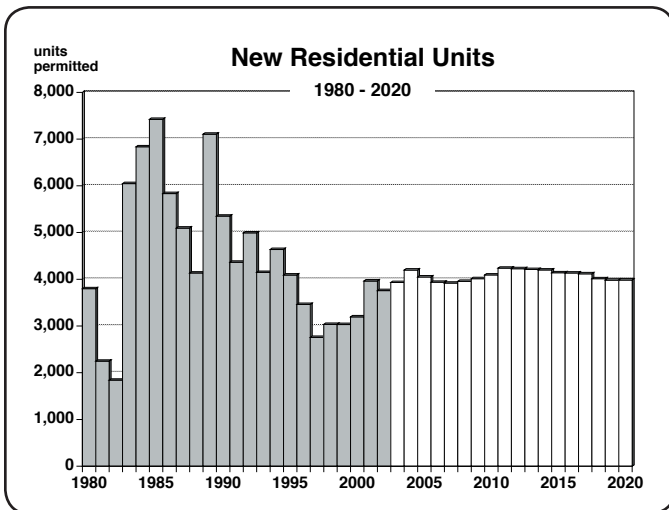
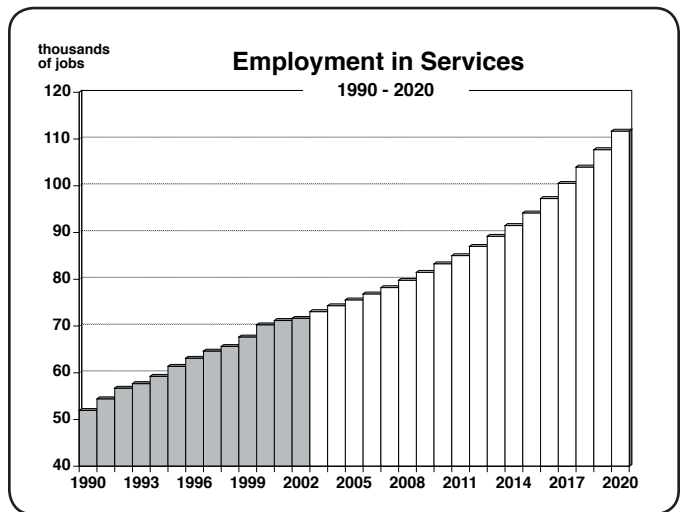
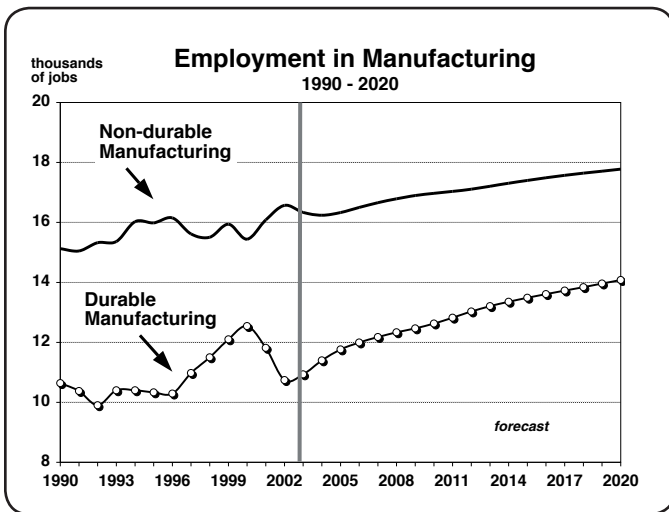
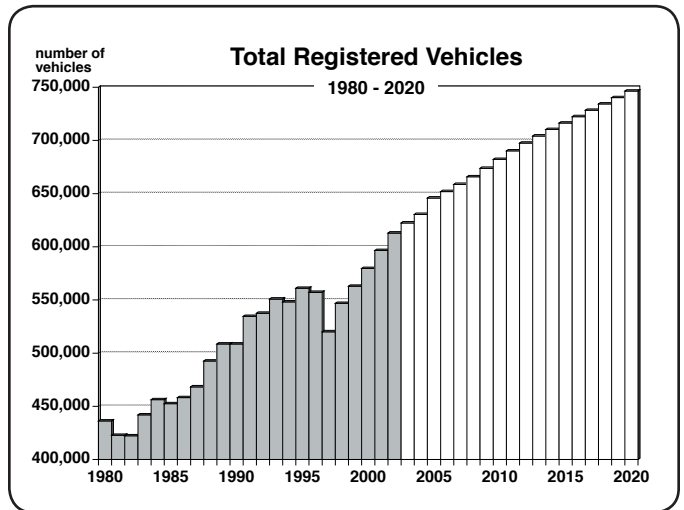
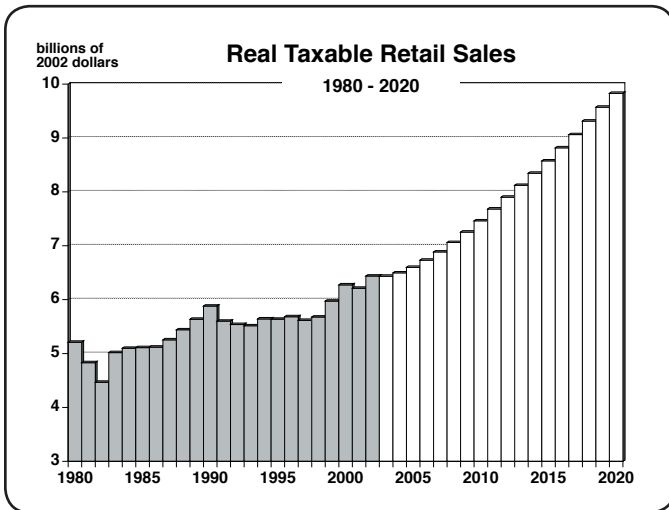
	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	756,000	3,489	561,002	242.4	4,091	\$4.4	\$13.9	\$23,435	\$3,142.9	\$7.0
1996	766,300	-387	557,170	246.1	3,461	\$4.6	\$14.4	\$23,341	\$3,324.9	\$7.7
1997	774,800	-1,244	520,105	249.5	2,756	\$4.7	\$14.7	\$22,834	\$3,436.4	\$8.3
1998	780,300	-4,174	546,836	251.8	3,034	\$4.9	\$15.4	\$23,085	\$3,257.7	\$8.2
1999	789,700	786	562,908	254.3	3,032	\$5.3	\$16.3	\$23,109	\$3,570.0	\$10.5
2000	804,500	3,292	579,592	252.3	3,196	\$5.9	\$17.3	\$22,973	\$3,281.3	\$11.9
2001	819,300	7,128	596,566	255.0	3,963	\$6.1	\$18.4	\$22,788	\$3,220.1	\$11.9
2002	835,400	7,382	612,944	258.3	3,758	\$6.4	\$19.3	\$23,080	\$3,319.9	\$12.2
2003	851,019	6,797	622,464	262.7	3,931	\$6.6	\$20.1	\$23,070	\$3,666.3	\$12.5
2004	866,557	6,557	630,458	266.5	4,198	\$6.8	\$21.1	\$23,105	\$3,944.1	\$12.9
2005	882,029	6,305	645,897	268.5	4,050	\$7.1	\$22.3	\$23,331	\$4,145.7	\$13.4
2006	897,612	6,184	651,926	272.4	3,936	\$7.5	\$23.6	\$23,595	\$4,315.5	\$13.9
2007	913,521	6,193	658,688	277.2	3,918	\$7.9	\$25.0	\$23,952	\$4,462.2	\$14.4
2008	929,879	6,320	665,860	280.9	3,956	\$8.3	\$26.6	\$24,414	\$4,610.0	\$14.7
2009	946,773	6,524	673,770	285.7	4,013	\$8.7	\$28.3	\$24,841	\$4,739.1	\$15.2
2010	964,393	6,935	682,220	288.6	4,093	\$9.2	\$30.0	\$25,179	\$4,887.1	\$15.7
2011	982,455	7,109	690,215	292.8	4,238	\$9.8	\$31.7	\$25,380	\$5,039.9	\$16.3
2012	1,000,874	7,216	697,495	297.6	4,226	\$10.3	\$33.4	\$25,512	\$5,192.7	\$16.8
2013	1,019,648	7,303	704,199	301.3	4,210	\$10.9	\$35.4	\$25,771	\$5,354.3	\$17.3
2014	1,038,674	7,273	710,270	305.6	4,199	\$11.5	\$37.5	\$26,067	\$5,515.3	\$17.7
2015	1,057,837	7,104	716,402	309.6	4,140	\$12.2	\$39.6	\$26,369	\$5,676.8	\$18.1
2016	1,077,027	6,837	722,389	313.6	4,135	\$12.9	\$42.0	\$26,711	\$5,853.5	\$18.3
2017	1,096,067	6,373	728,376	317.6	4,118	\$13.6	\$44.4	\$26,951	\$6,038.4	\$18.6
2018	1,114,909	5,909	734,284	321.5	4,012	\$14.4	\$47.1	\$27,318	\$6,238.3	\$19.1
2019	1,133,661	5,534	740,293	325.4	3,982	\$15.2	\$49.9	\$27,720	\$6,436.1	\$19.5
2020	1,152,357	5,185	746,470	329.2	3,984	\$16.0	\$52.7	\$28,057	\$6,621.0	\$20.1

- With the forecast decline in the proportion of total jobs contributed by the farm sector, the unemployment rate in Fresno County will decline, to under 14 percent in 2003, and continuing lower for the remainder of the forecast horizon.
- Real per capita incomes are expected to grow 1 percent per year over the next 5 years. The average salary per worker is forecast to increase 0.5 percent per year, adjusted for inflation. The average salary in 2002 was \$31,442, significantly lower than the average salary for all jobs in California at \$44,200.



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
301.8	58.2	12.4	26.3	12.5	60.0	13.3	61.4	57.6
308.9	62.0	12.4	26.4	12.6	60.4	13.6	63.1	58.3
310.1	60.3	12.7	26.6	12.9	61.7	13.2	64.6	58.2
312.3	58.7	13.8	27.0	12.5	62.2	13.4	65.6	59.1
318.4	56.3	14.7	28.0	12.7	63.4	13.7	67.7	61.8
329.5	58.9	15.4	28.0	13.1	65.0	13.9	70.3	65.0
323.9	47.4	16.4	27.9	13.1	66.4	14.2	71.2	67.4
319.9	36.8	17.3	27.3	12.9	69.9	14.3	71.6	69.7
325.1	38.0	17.5	27.3	13.2	70.6	14.4	73.1	71.2
329.6	38.1	17.8	27.6	13.4	71.5	14.5	74.3	72.4
333.3	37.1	17.9	28.1	13.6	72.5	14.6	75.6	74.1
337.4	36.3	18.1	28.5	13.8	73.5	14.7	76.9	75.7
342.5	36.6	18.2	28.8	14.0	74.5	14.9	78.2	77.2
348.8	37.6	18.3	29.1	14.3	75.6	15.2	79.8	79.0
355.9	39.1	18.3	29.4	14.5	76.8	15.5	81.5	80.8
365.0	42.6	18.4	29.6	14.8	78.0	15.8	83.3	82.5
373.0	44.9	18.6	29.9	15.1	79.3	16.2	85.1	84.0
380.5	46.4	18.8	30.1	15.4	80.7	16.5	87.0	85.5
387.8	47.5	18.8	30.4	15.7	82.1	16.9	89.2	87.2
394.0	47.3	18.9	30.7	16.1	83.5	17.2	91.5	88.9
400.8	47.2	19.0	30.9	16.4	85.0	17.6	94.2	90.7
408.2	47.1	19.0	31.1	16.7	86.5	18.0	97.3	92.7
414.9	46.1	19.0	31.3	17.0	88.0	18.4	100.5	94.5
422.1	45.4	19.0	31.5	17.3	89.6	18.8	104.0	96.5
430.6	45.7	19.0	31.7	17.7	91.2	19.2	107.7	98.3
440.0	46.8	19.0	31.9	18.1	92.9	19.6	111.7	100.0

- The median home price during 2002 was \$124,542. Adjusted for inflation, home values are not expected to rise much for the indefinite future. There will be more residential building in the county to accommodate the demand for housing, unlike the experience in coastal California counties. Housing production is forecast to average 4,000 units per year.



# Glenn County Economic Forecast

Primarily an agricultural county, Glenn extends across the west-central portion of the fertile Sacramento Valley. The county is also home to the Sacramento National Wildlife Refuge, which attracts visitors from all over the world.

In 2003, the population of Glenn County was estimated at 27,049, an increase over the 2000 Census of 1.5 percent. The city of Orland is located in the northern region of Glenn County, and while the current population (6,375) is almost equal to that of Willows (6,275), Orland grew at a much faster pace. The city experienced 24 percent growth between 1990 and 2000, compared to 4 percent growth over the same period for Willows. Since the 2000 Census however, neither city has been growing much, both averaging just 0.8 percent growth per year.

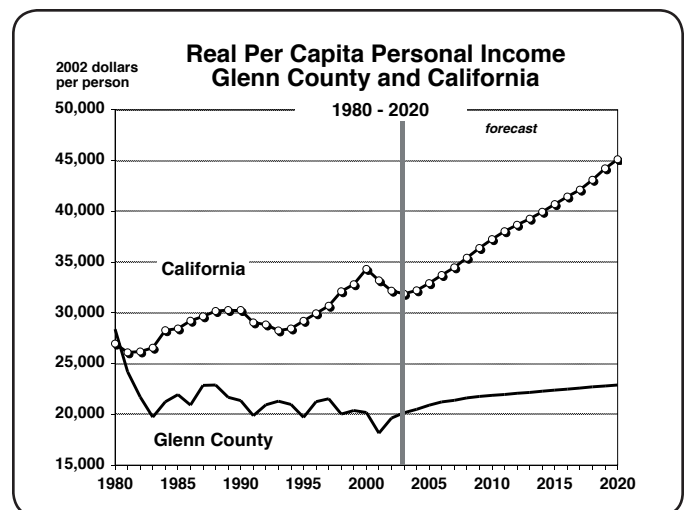
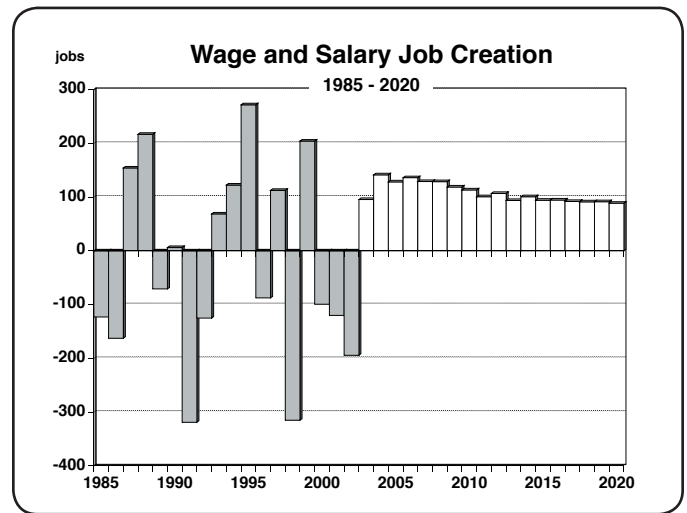
Agriculture is a vital industry in Glenn County. In the year 2002, the industry provided almost 19 percent of the total employment. The county's most common crops are rice, wheat, hay, oranges, dried plums, walnuts, almonds, and corn. With about 340,000 tons of rice produced annually, the city of Willows is sometimes referred to as the "rice capital of the United States." Employment in farming is forecast to rise over the foreseeable future, but non-farm sectors will add more jobs as the county diversifies.

Government and retail trade will be dominant industries in Glenn County's future economy. It is estimated that by the year 2008, the two sectors combined will account for 55 percent of the total non-farm employment. During the forecast period, manufacturing should increase by 50 jobs, and wholesale/retail trade, which contributed 21 percent of total employment in 2002, is expected to add 250 jobs.

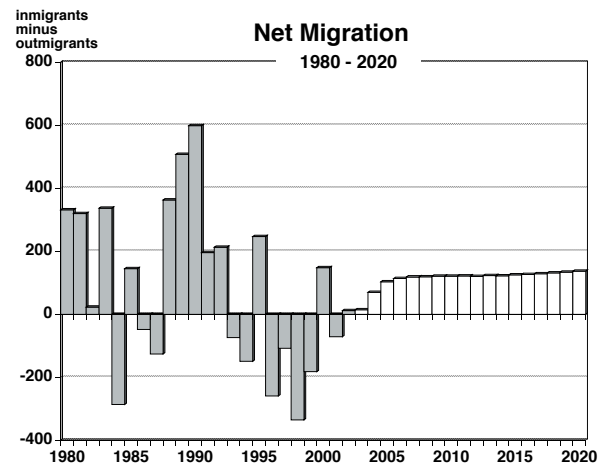
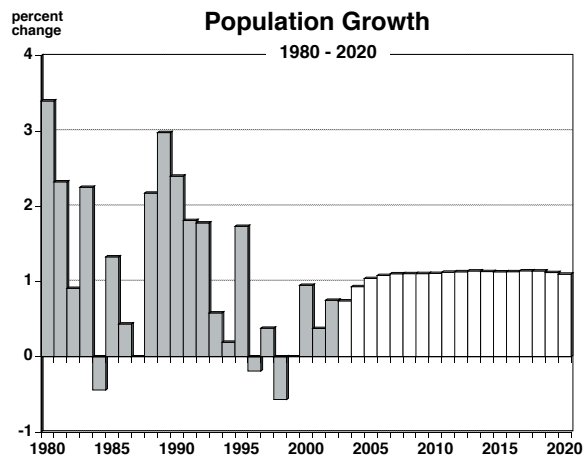
The government sector is forecast to increase employment by an average of 2.4 percent per year, during the five-year period: 2003 to 2008. The local government sector should continue to provide the majority of government jobs, according to industry projections.

## Forecast Highlights

- A non-farm job growth rate of 1.8 percent is forecast for Glenn County between 2003 and 2008. The majority of jobs will be created in state and local government, and retail trade.



- Inflation-adjusted per capita income rises an average of 1.4 percent per year over the next 5 years. In 2002, the personal income averaged \$19,630 per person.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 34 per year. More homes will be built if in-migration increases.
- Population growth accelerates over the next 5 years, averaging 1.1 percent growth per year. A greater number of births (due to a rising population in the fertile 20 - 29 year-old age cohorts) and sustained net migration are responsible for the higher rate of population growth projected for the remainder of the decade.



## Glenn County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

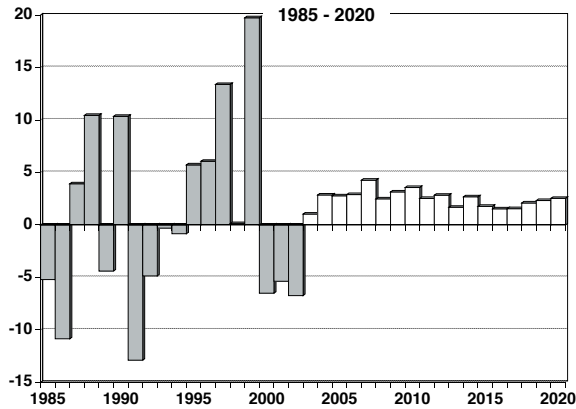
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	26,400	247	27.8	9.4	42	\$108.8	\$408.7	\$19,712	\$237.1	\$203.1
1996	26,350	-259	27.9	9.4	78	\$111.8	\$449.9	\$21,248	\$263.9	\$215.5
1997	26,450	-108	26.4	9.5	100	\$113.1	\$473.6	\$21,545	\$275.4	\$244.3
1998	26,300	-335	27.4	9.5	50	\$107.4	\$451.6	\$20,025	\$219.0	\$244.6
1999	26,300	-182	28.3	9.6	54	\$117.1	\$479.0	\$20,378	\$253.5	\$292.9
2000	26,550	148	29.3	9.2	42	\$125.9	\$500.4	\$20,188	\$286.7	\$273.9
2001	26,650	-71	30.0	9.2	68	\$132.6	\$475.9	\$18,148	\$278.6	\$259.2
2002	26,850	12	30.6	9.3	72	\$143.4	\$527.1	\$19,630	\$304.3	\$241.7
2003	27,049	15	30.7	9.4	40	\$149.9	\$559.0	\$20,158	\$319.0	\$244.3
2004	27,302	70	31.1	9.4	46	\$157.4	\$589.8	\$20,499	\$333.3	\$251.2
2005	27,586	103	31.5	9.5	30	\$165.7	\$624.4	\$20,900	\$344.6	\$258.2
2006	27,884	114	31.7	9.5	20	\$174.1	\$658.5	\$21,224	\$356.7	\$265.7
2007	28,191	119	32.1	9.5	29	\$182.0	\$688.5	\$21,389	\$368.2	\$277.0
2008	28,502	119	32.6	9.6	38	\$190.2	\$722.2	\$21,622	\$379.7	\$283.9
2009	28,818	121	32.9	9.6	35	\$198.4	\$754.2	\$21,768	\$391.7	\$292.9
2010	29,137	121	33.1	9.6	43	\$206.9	\$787.9	\$21,880	\$405.4	\$303.4
2011	29,464	122	33.7	9.7	31	\$215.7	\$822.4	\$21,959	\$420.2	\$311.0
2012	29,797	120	34.0	9.7	40	\$224.8	\$860.5	\$22,085	\$436.1	\$319.8
2013	30,137	123	34.5	9.8	28	\$234.3	\$899.3	\$22,169	\$452.8	\$325.3
2014	30,479	122	34.9	9.8	33	\$243.7	\$939.6	\$22,286	\$469.4	\$334.0
2015	30,823	125	35.4	9.8	31	\$253.4	\$980.5	\$22,385	\$486.2	\$339.9
2016	31,171	126	35.7	9.9	34	\$263.7	\$1,024.3	\$22,488	\$503.9	\$345.2
2017	31,527	129	36.3	9.9	43	\$274.8	\$1,071.6	\$22,595	\$522.6	\$350.5
2018	31,887	131	36.8	9.9	42	\$286.1	\$1,120.2	\$22,711	\$541.2	\$357.9
2019	32,244	134	37.3	10.0	40	\$297.5	\$1,168.2	\$22,796	\$559.9	\$366.2
2020	32,598	137	37.8	10.0	38	\$309.0	\$1,217.4	\$22,896	\$578.6	\$375.5



average annual  
percent change

### Real Industrial Production

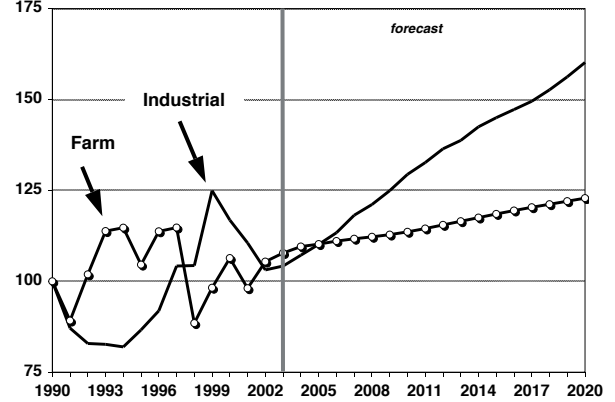
1985 - 2020



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020

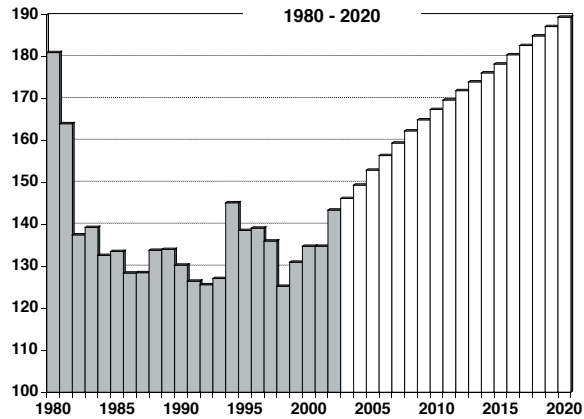


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
7,869	1,668	235	1,254	325	1,453	168	633	2,133
7,782	1,683	280	1,089	326	1,407	173	707	2,118
7,894	1,770	348	1,065	316	1,387	179	698	2,133
7,579	1,543	418	967	297	1,372	170	743	2,070
7,783	1,645	419	912	311	1,413	168	763	2,153
7,684	1,508	316	839	319	1,473	179	769	2,282
7,564	1,450	330	630	346	1,568	188	750	2,303
7,370	1,400	300	580	340	1,550	170	720	2,310
7,466	1,471	316	502	342	1,592	177	725	2,341
7,607	1,518	323	499	342	1,638	183	729	2,376
7,735	1,546	321	507	343	1,691	188	732	2,408
7,871	1,567	322	519	344	1,749	192	734	2,446
8,000	1,581	326	535	345	1,801	195	736	2,482
8,129	1,590	329	554	345	1,851	198	738	2,524
8,248	1,598	329	574	346	1,900	200	740	2,560
8,361	1,605	332	590	347	1,946	202	742	2,597
8,462	1,611	329	601	348	1,988	204	743	2,637
8,569	1,618	332	609	349	2,028	206	743	2,684
8,663	1,624	329	617	350	2,065	207	744	2,727
8,763	1,629	331	627	350	2,101	208	744	2,773
8,857	1,635	331	636	351	2,136	209	745	2,815
8,952	1,640	333	644	352	2,171	210	746	2,858
9,044	1,645	336	651	352	2,206	210	746	2,898
9,135	1,649	337	658	353	2,241	212	748	2,937
9,227	1,653	337	668	354	2,277	213	749	2,974
9,315	1,658	337	678	355	2,312	214	750	3,011

millions of  
2002 dollars

### Real Taxable Retail Sales

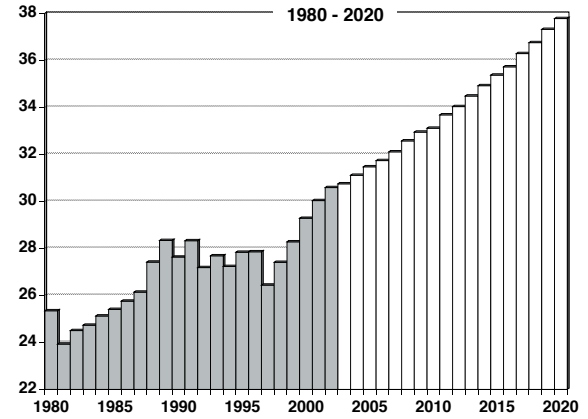
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

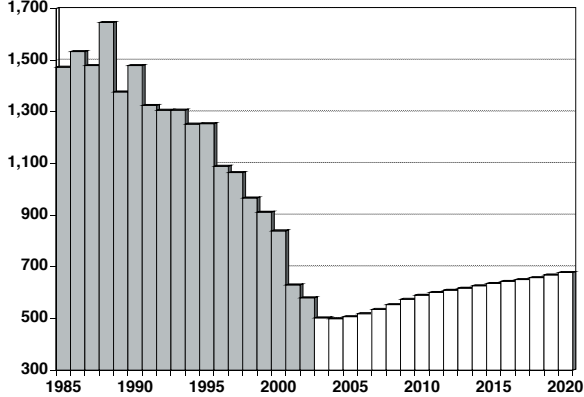
1980 - 2020



jobs

### Employment in Manufacturing

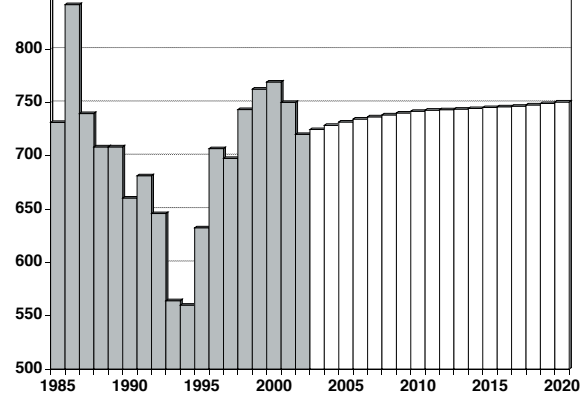
1985 - 2020



jobs

### Employment in Services

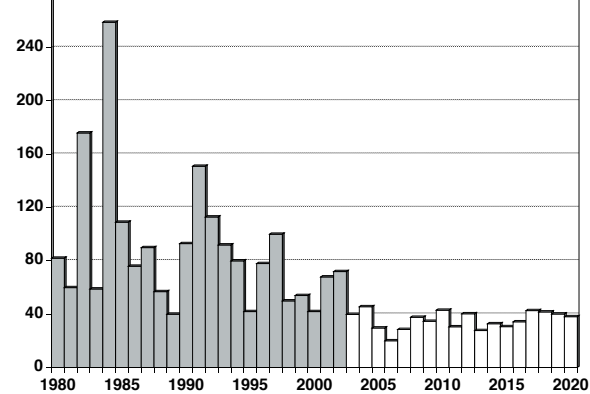
1985 - 2020



units  
permitted

### New Residential Units

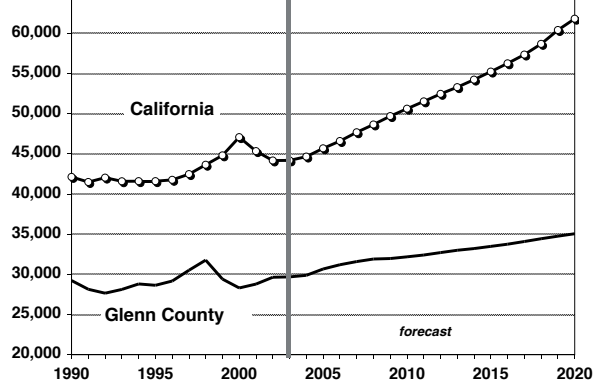
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Glenn County and California

1990 - 2020



# Humboldt County Economic Forecast

Humboldt County is home to the largest and oldest redwood trees in the world. The county's timber resources support the largest lumber industry in the state. The commercial and sport fishing industry are also significant factors in the county's economy. Natural resources make Humboldt County a primary tourist destination as well; popular sites include the Six Rivers National Forest, Redwoods National Park, and Humboldt Redwoods State Park.

The population of Humboldt County was 128,300 in January of 2003, an increase of just 0.8 percent over 2002. Most of the county's population resides in cities around Humboldt Bay since most of the jobs are in this area. The largest cities are Eureka, Arcata, and Fortuna. Eureka, the county seat, reported a population of 26,100 in 2003.

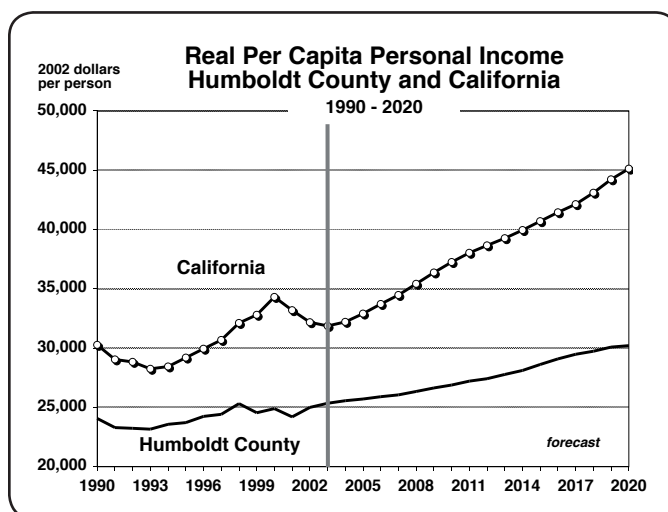
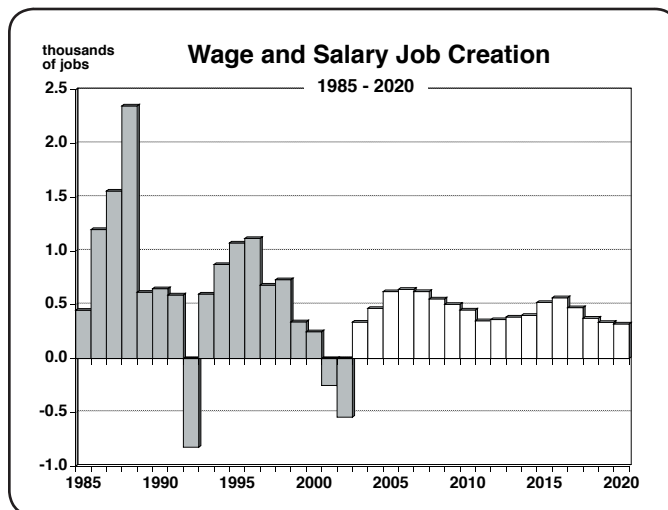
By the year 2010, Humboldt County's population is forecast to exceed 133,000, implying a compound annual growth rate of 0.6 percent. The county's annual average unemployment rate for 2002 was 6.5 percent, a level that was equal to the statewide unemployment rate.

Historically, the lumber and wood products industry, together with the fishing industry, dominated Humboldt County's resource-based economy. Though many are still employed in logging and fishing, recent employment activity has reflected a shift toward occupations in the education, manufacturing and tourism industries. Currently, government, services, retail trade, and manufacturing are the largest industries in the county.

The government and services sectors currently employ about 54 percent of the total employment in the county. Wholesale and retail trade employment contributes 25 percent of total wage and salary employment. Consequently, the county's labor market is dominated by these 3 sectors. Manufacturing provides about 9 percent of all jobs.

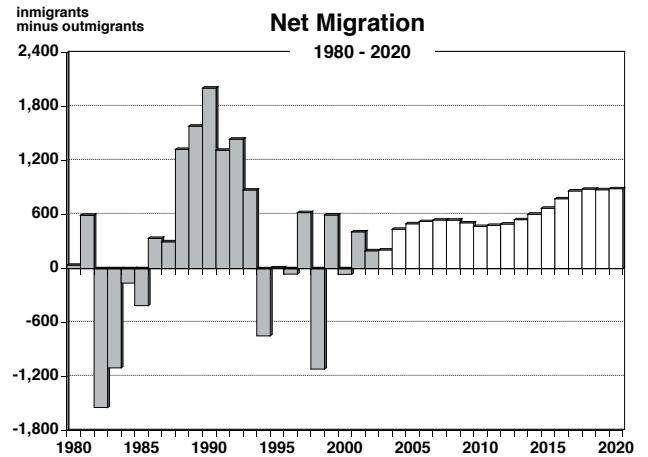
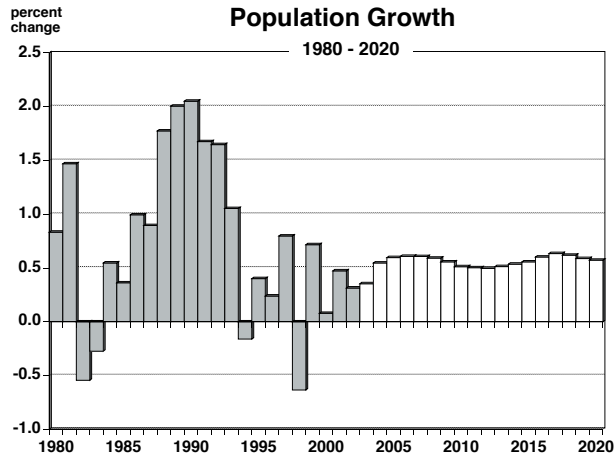
## Forecast Highlights

- Non-farm job growth is forecast to rise 1.1 percent per year over the next 5 years. The principal sectors of growth occur in government and services. An average of 525 non-farm jobs per year are created between 2003 and 2008.
- Due to an increase in the population of 20 to 44 year olds, a greater number of births is forecast over the next 10 years. Furthermore, continued positive net-migra-



tion pushes population growth higher, to an average 0.6 percent per year. The number of new in-migrants is forecast to average 460 persons per year. Between 1997 and 2002, population growth in Humboldt County was virtually zero.

- An average of 570 new residential units are authorized each year over the next 5 years. This contrasts with the average 450 units built per year between 1997 and 2002 in Humboldt County.



## Humboldt County Economic Forecast

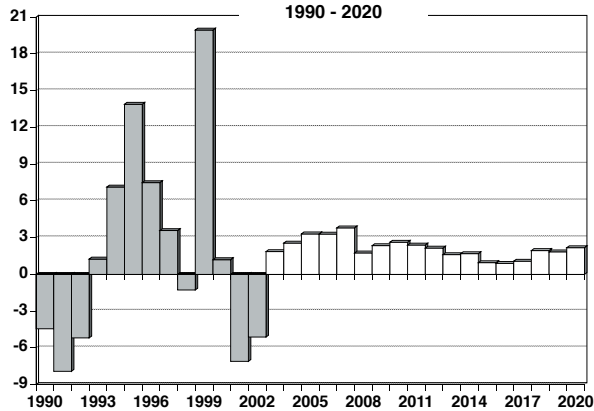
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	125,000	10	123.9	49.4	506	\$0.7	\$2.3	\$23,725	\$67	\$1.3
1996	125,300	-60	125.7	50.0	396	\$0.8	\$2.4	\$24,242	\$72	\$1.4
1997	126,300	624	118.0	50.4	462	\$0.8	\$2.6	\$24,417	\$80	\$1.4
1998	125,500	-1,115	122.6	50.9	373	\$0.8	\$2.7	\$25,317	\$83	\$1.4
1999	126,400	597	124.3	51.3	404	\$0.9	\$2.8	\$24,549	\$93	\$1.7
2000	126,500	-62	128.4	51.1	373	\$0.9	\$2.9	\$24,901	\$97	\$1.7
2001	127,100	410	133.0	51.5	545	\$1.0	\$3.0	\$24,202	\$110	\$1.6
2002	127,500	200	135.9	51.8	538	\$1.0	\$3.2	\$25,007	\$100	\$1.5
2003	127,952	209	136.9	51.8	519	\$1.0	\$3.3	\$25,353	\$96	\$1.6
2004	128,652	439	138.0	52.3	563	\$1.1	\$3.5	\$25,565	\$98	\$1.6
2005	129,420	500	139.2	52.8	588	\$1.1	\$3.6	\$25,713	\$101	\$1.6
2006	130,208	525	140.6	53.3	590	\$1.1	\$3.8	\$25,904	\$104	\$1.7
2007	130,999	541	142.0	53.9	586	\$1.2	\$3.9	\$26,057	\$106	\$1.8
2008	131,775	541	143.3	54.4	578	\$1.2	\$4.1	\$26,345	\$109	\$1.8
2009	132,509	510	144.6	54.9	568	\$1.2	\$4.2	\$26,641	\$112	\$1.8
2010	133,188	471	145.7	55.4	555	\$1.3	\$4.4	\$26,890	\$116	\$1.9
2011	133,858	483	146.8	55.9	532	\$1.3	\$4.6	\$27,220	\$120	\$1.9
2012	134,523	497	147.5	56.4	512	\$1.4	\$4.8	\$27,427	\$124	\$2.0
2013	135,214	545	147.9	56.9	497	\$1.4	\$5.1	\$27,777	\$128	\$2.0
2014	135,940	607	148.1	57.3	485	\$1.5	\$5.3	\$28,119	\$132	\$2.0
2015	136,697	673	148.2	57.7	494	\$1.6	\$5.6	\$28,620	\$136	\$2.1
2016	137,520	778	148.2	58.2	506	\$1.6	\$5.8	\$29,098	\$140	\$2.1
2017	138,393	865	148.1	58.6	520	\$1.7	\$6.1	\$29,480	\$144	\$2.1
2018	139,250	884	147.8	59.1	527	\$1.8	\$6.4	\$29,745	\$149	\$2.1
2019	140,070	879	147.3	59.6	517	\$1.8	\$6.7	\$30,086	\$153	\$2.2
2020	140,873	890	146.7	60.0	507	\$1.9	\$6.9	\$30,215	\$158	\$2.2

average annual  
percent change

### Real Industrial Production

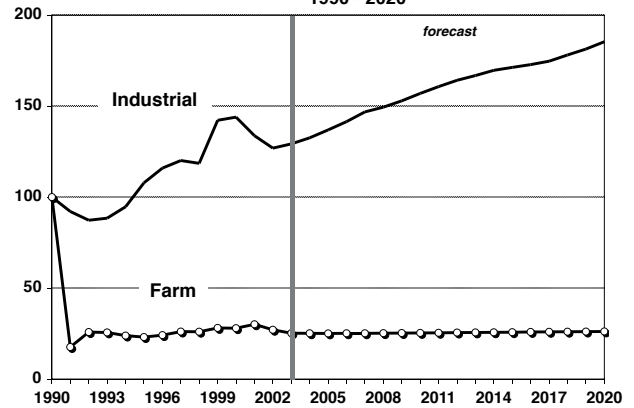
1990 - 2020



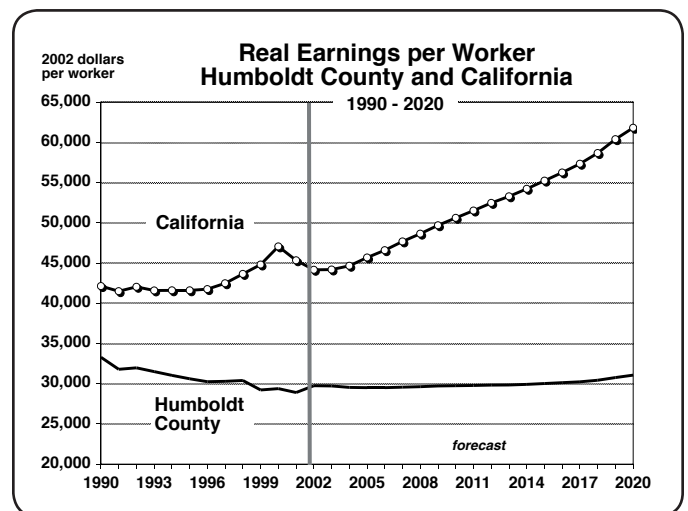
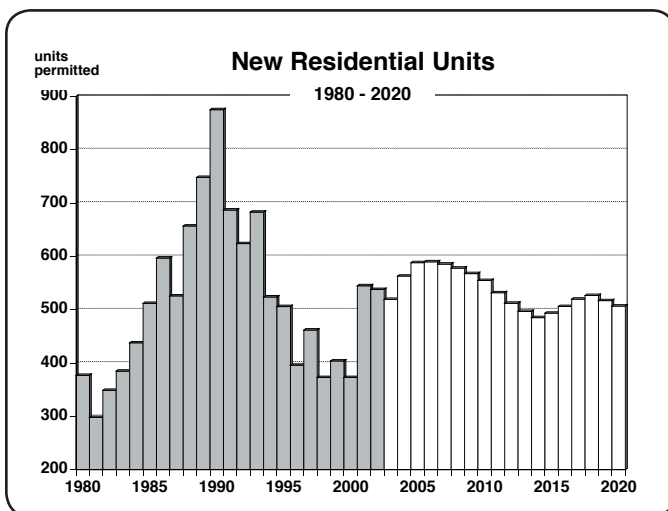
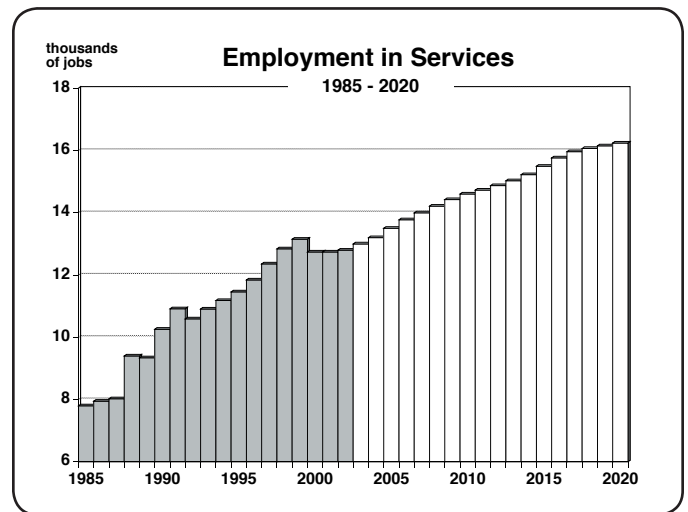
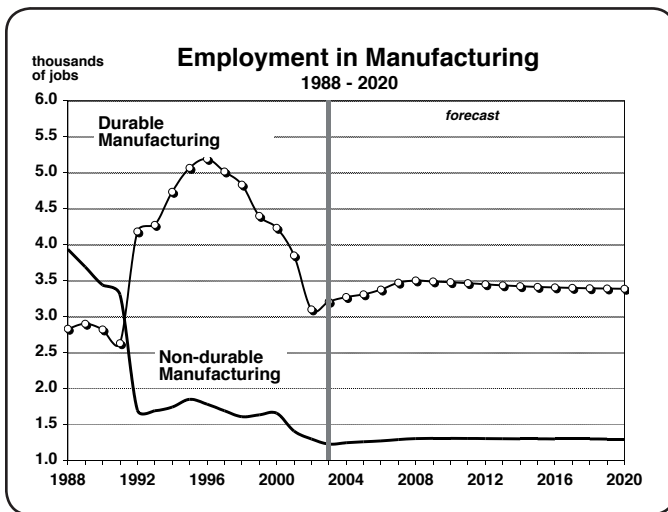
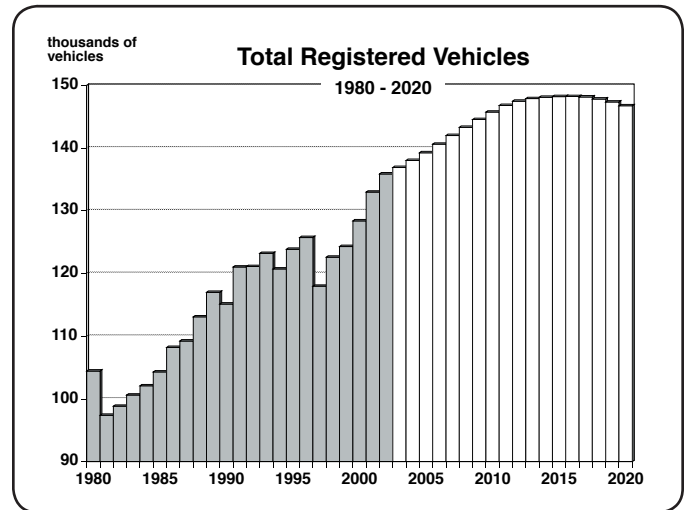
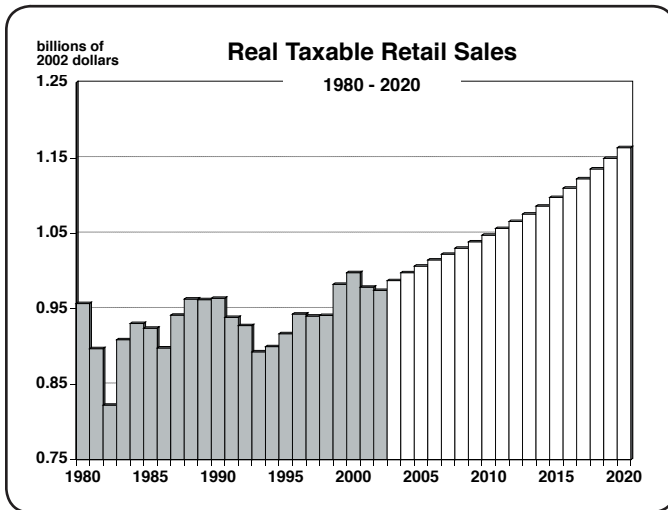
inflation-adjusted  
index (1990=100)

### Industrial and Farm Production Indices

1990 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
47.2	0.9	1.7	6.9	1.9	11.7	1.8	11.5	10.9
48.3	0.9	1.7	7.0	2.0	11.9	1.8	11.8	11.1
49.0	1.0	1.7	6.7	2.0	11.7	1.9	12.4	11.6
49.8	1.0	1.7	6.4	2.1	11.7	2.1	12.8	11.9
50.1	0.9	1.9	6.0	2.1	11.8	2.2	13.2	12.1
50.3	1.1	1.7	5.9	1.9	12.0	2.2	12.7	12.8
50.1	1.0	1.7	5.3	1.9	12.2	2.0	12.7	13.3
49.5	1.1	1.7	4.4	1.9	12.2	2.0	12.8	13.4
49.9	1.1	1.7	4.4	1.9	12.3	2.0	13.0	13.4
50.4	1.2	1.7	4.5	2.0	12.3	2.1	13.2	13.4
51.0	1.2	1.7	4.6	2.0	12.4	2.1	13.5	13.6
51.6	1.2	1.7	4.6	2.0	12.5	2.1	13.8	13.7
52.2	1.2	1.7	4.8	2.0	12.5	2.2	14.0	13.8
52.8	1.2	1.7	4.8	2.0	12.6	2.3	14.2	14.0
53.3	1.2	1.7	4.8	2.0	12.7	2.3	14.4	14.2
53.8	1.2	1.7	4.8	2.1	12.7	2.4	14.6	14.3
54.1	1.2	1.7	4.8	2.1	12.8	2.4	14.7	14.4
54.5	1.2	1.7	4.8	2.1	12.9	2.5	14.9	14.5
54.9	1.2	1.7	4.7	2.1	13.0	2.5	15.0	14.6
55.3	1.2	1.7	4.7	2.1	13.0	2.6	15.2	14.7
55.8	1.2	1.7	4.7	2.1	13.1	2.6	15.5	14.9
56.3	1.2	1.7	4.7	2.1	13.2	2.6	15.8	15.0
56.8	1.2	1.7	4.7	2.1	13.3	2.7	16.0	15.2
57.2	1.2	1.7	4.7	2.1	13.4	2.7	16.1	15.3
57.5	1.2	1.7	4.7	2.1	13.5	2.8	16.1	15.4
57.9	1.2	1.7	4.7	2.1	13.6	2.8	16.2	15.5



# Imperial County Economic Forecast

Imperial County's economic base is dominated by the government, agriculture, and retail trade industries. Government is the largest industry in the county, accounting for nearly 33 percent of the total employment. The majority of employment is concentrated in the local government component.

Agriculture is Imperial County's second largest industry with 20 percent of all wage and salary employment. As one of California's leading agricultural counties, Imperial's fertile land produces a variety of agricultural products, including cattle, alfalfa, lettuce, and carrots. About one-fifth of the county's nearly three million acres is irrigated for agriculture purposes,

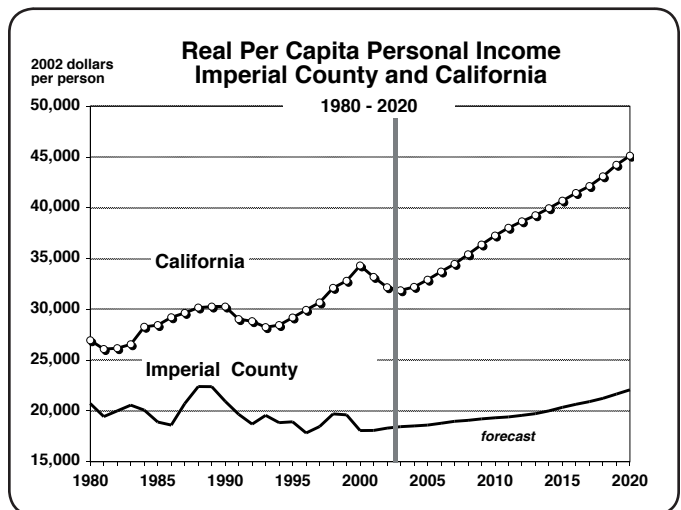
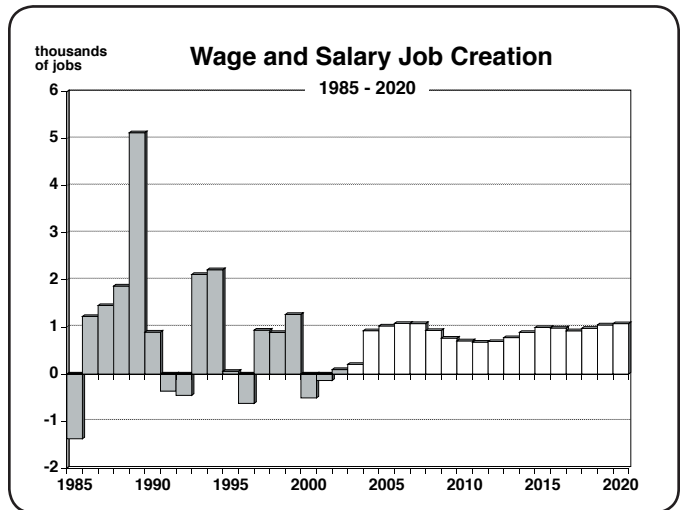
Agriculture laid the groundwork for success in Imperial County, but today the county's labor force and industries are becoming increasingly diversified. Economic development efforts have expanded opportunities for manufacturing and technology services in the county. Despite fluctuations in labor force numbers, recent economic conditions have supported job growth, a trend that is expected to continue.

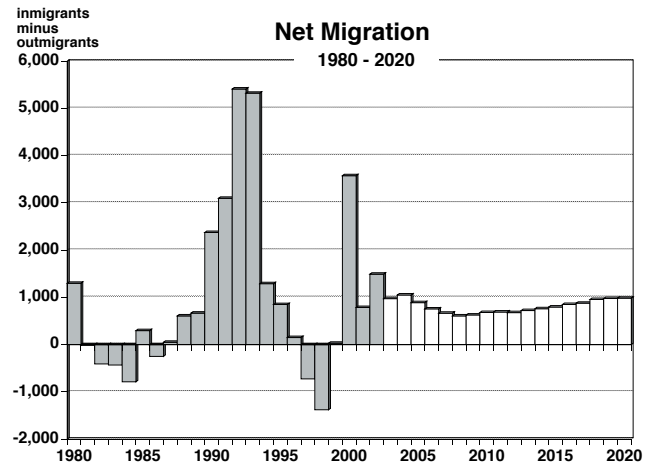
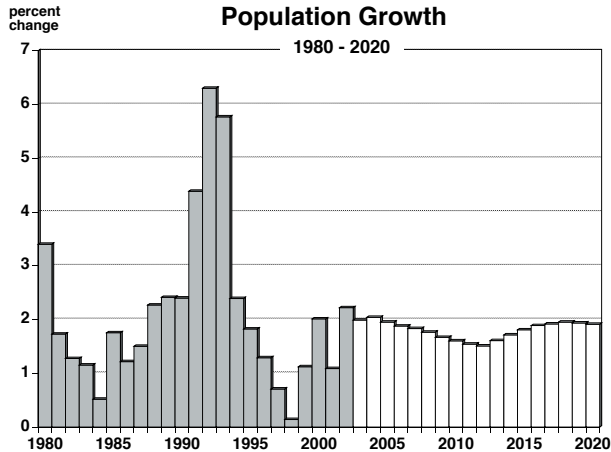
The annual average unemployment rate in Imperial County exceeds the rate for California by over 12 percentage points; however, agriculturally oriented counties like Imperial tend to have higher unemployment rates due to greater seasonal variations in employment. The county's recorded unemployment rate in 2002 was 19.2 percent.

Housing is very affordable in the county. The annual average median home selling price was \$85,675 in 2002.

## Forecast Highlights

- The county is forecast to create 5,000 new wage and salary jobs between 2003 and 2008. The forecast rate of job growth averages 1.9 percent per year.
- Real per capita income rises marginally over the next 5 years, averaging 0.7 percent per year. Total inflation-adjusted personal income increases 2.2 percent per year but population growth dilutes the average real income per person.
- Approximately 750 new homes are permitted each year over the next 5 years. That rate of building is not enough to keep housing densities or housing prices from rising further throughout the county.
- The unemployment rate falls to below 19 percent in 2003, and remains in the range of 18 to 19 percent through 2008. The number of farm sector jobs declines as the county becomes more diversified in the non-farm industries.
- Population growth averages 1.9 percent per year between 2003 and 2008. The natural increase is the principal engine of population growth. But net migration also contributes significantly to new population growth. The number of net-migrants is forecast to average 825 per year.





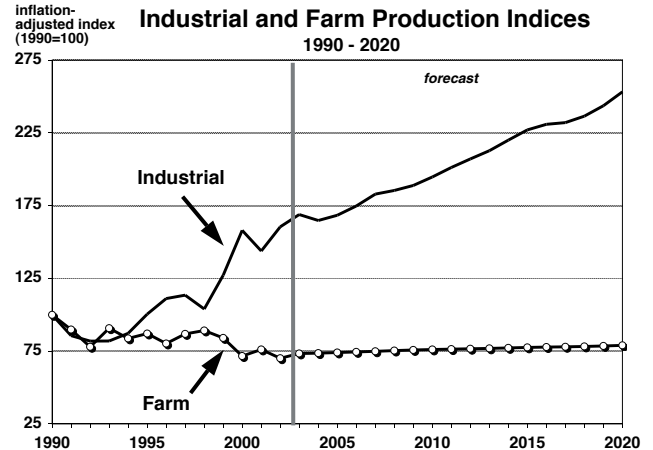
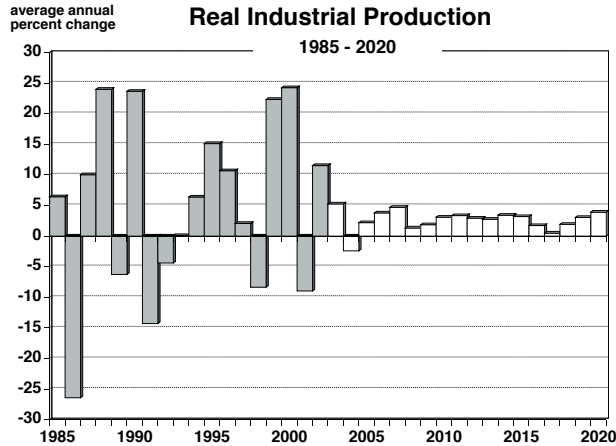
## Imperial County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

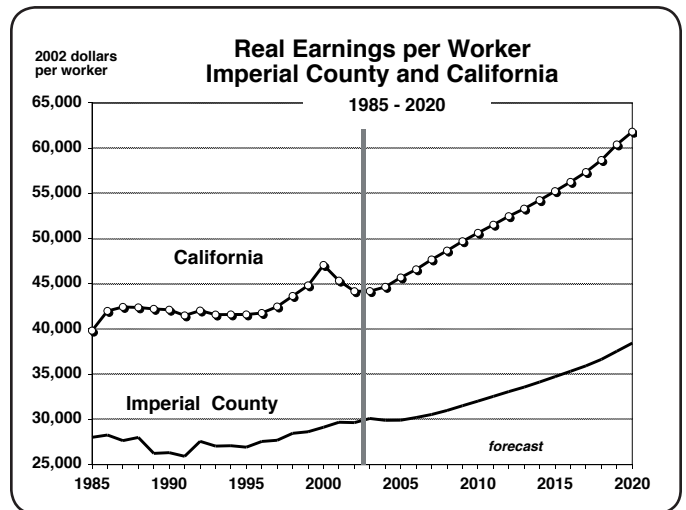
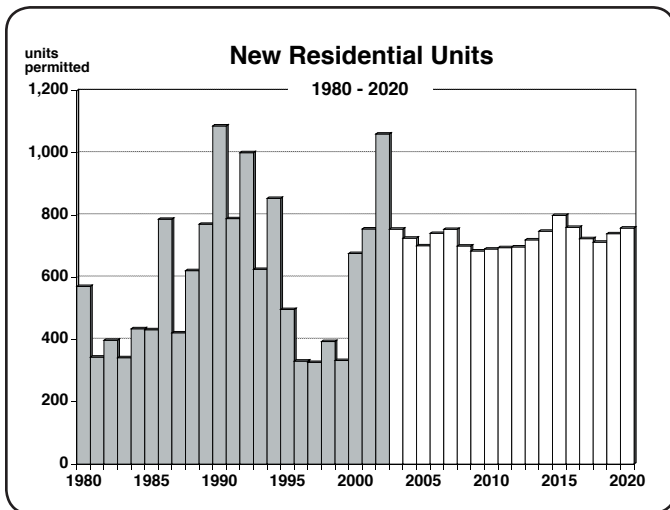
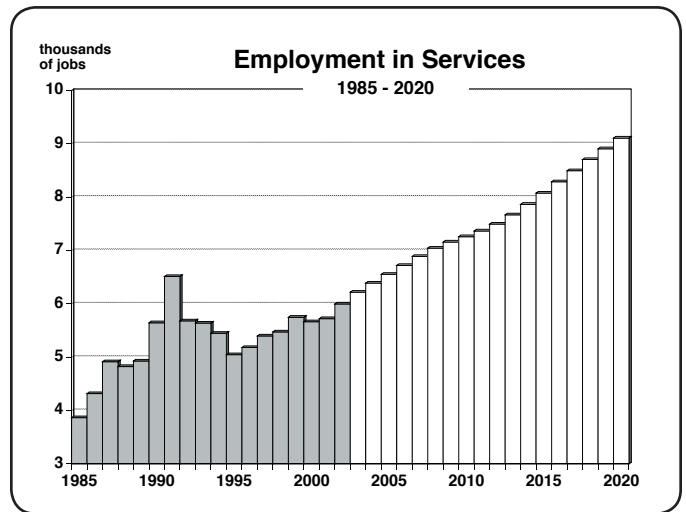
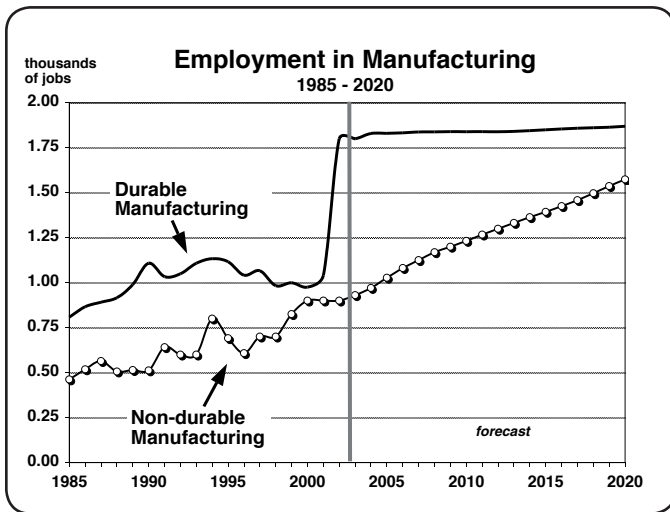
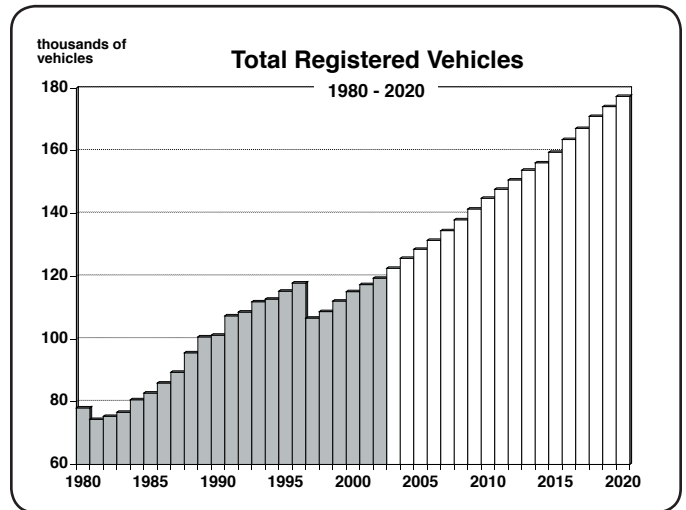
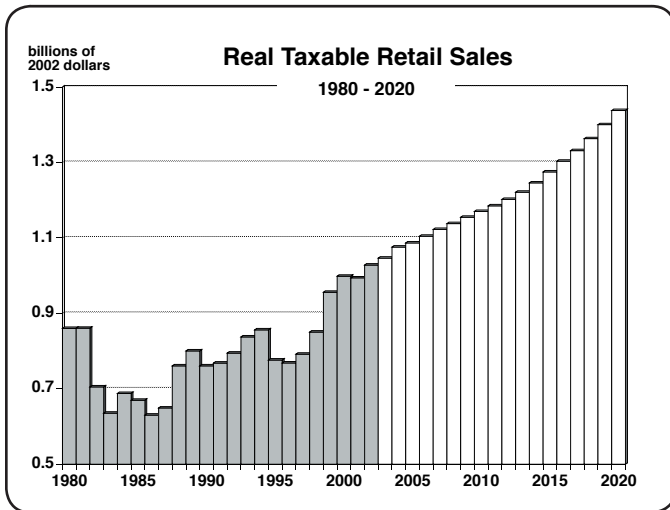
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	139,500	851	115	37	497	\$0.7	\$2.2	\$18,937	\$1,009	\$0.8
1996	141,300	153	118	38	331	\$0.7	\$2.2	\$17,836	\$945	\$0.9
1997	142,300	-723	107	38	327	\$0.7	\$2.3	\$18,474	\$1,040	\$0.9
1998	142,500	-1,376	109	39	394	\$0.8	\$2.5	\$19,716	\$1,083	\$0.9
1999	144,100	32	112	39	333	\$0.9	\$2.6	\$19,622	\$1,045	\$1.1
2000	147,000	3,578	115	39	677	\$0.9	\$2.5	\$18,082	\$920	\$1.3
2001	148,600	787	117	40	756	\$1.0	\$2.6	\$18,086	\$1,010	\$1.2
2002	151,900	1,492	119	41	1,061	\$1.0	\$2.8	\$18,320	\$957	\$1.3
2003	154,923	975	123	42	755	\$1.1	\$3.0	\$18,460	\$1,024	\$1.4
2004	158,084	1,053	126	42	726	\$1.1	\$3.1	\$18,530	\$1,053	\$1.4
2005	161,171	890	129	43	702	\$1.2	\$3.2	\$18,619	\$1,084	\$1.4
2006	164,200	758	132	44	742	\$1.2	\$3.4	\$18,800	\$1,116	\$1.5
2007	167,208	667	135	44	755	\$1.3	\$3.6	\$18,983	\$1,149	\$1.5
2008	170,158	609	138	45	701	\$1.3	\$3.7	\$19,083	\$1,183	\$1.6
2009	172,997	630	142	46	685	\$1.4	\$3.9	\$19,221	\$1,217	\$1.6
2010	175,772	681	145	47	691	\$1.4	\$4.1	\$19,328	\$1,253	\$1.6
2011	178,485	693	148	47	696	\$1.5	\$4.3	\$19,419	\$1,289	\$1.7
2012	181,178	679	151	48	698	\$1.5	\$4.5	\$19,575	\$1,326	\$1.7
2013	184,093	724	154	49	721	\$1.6	\$4.7	\$19,742	\$1,364	\$1.8
2014	187,249	762	156	49	748	\$1.7	\$5.0	\$20,016	\$1,404	\$1.8
2015	190,636	797	160	50	799	\$1.7	\$5.3	\$20,367	\$1,444	\$1.9
2016	194,235	851	164	51	761	\$1.8	\$5.6	\$20,661	\$1,485	\$1.9
2017	197,963	879	167	52	725	\$1.9	\$6.0	\$20,923	\$1,528	\$1.9
2018	201,827	957	171	52	713	\$2.0	\$6.3	\$21,245	\$1,571	\$2.0
2019	205,738	979	174	53	741	\$2.1	\$6.7	\$21,668	\$1,615	\$2.0
2020	209,673	985	177	54	759	\$2.2	\$7.1	\$22,084	\$1,660	\$2.1

- The industrial sector will continue to dominate economic activity, relative to the farm sector over the next 5 years. However, farming will remain an engine of growth. The value of farm produces is forecast to exceed \$1 billion per year for the foreseeable future.





Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
48.5	14.5	1.7	1.8	1.9	9.2	1.2	5.1	13.3
47.9	13.8	1.6	1.7	2.1	9.0	1.1	5.2	13.5
48.8	13.9	1.5	1.8	2.1	9.2	1.1	5.4	14.0
49.7	14.3	1.4	1.7	2.0	9.4	1.1	5.5	14.4
51.0	14.4	1.4	1.8	1.9	9.8	1.2	5.8	14.8
50.4	12.3	1.8	1.9	1.9	10.3	1.1	5.7	15.5
50.3	11.3	1.6	1.9	2.0	10.4	1.3	5.7	16.1
50.4	10.0	1.7	2.7	2.0	10.2	1.3	6.0	16.5
50.6	9.3	1.8	2.7	2.0	10.4	1.3	6.2	16.8
51.5	9.4	1.6	2.8	2.0	10.4	1.3	6.4	17.5
52.5	9.5	1.6	2.9	2.1	10.5	1.3	6.6	18.2
53.6	9.4	1.6	2.9	2.1	10.6	1.3	6.7	18.9
54.7	9.4	1.7	3.0	2.1	10.7	1.3	6.9	19.7
55.6	9.3	1.7	3.0	2.1	10.8	1.4	7.1	20.4
56.4	9.2	1.6	3.0	2.1	10.9	1.4	7.2	21.1
57.1	9.0	1.6	3.1	2.1	10.9	1.4	7.3	21.6
57.8	8.9	1.6	3.1	2.1	11.0	1.4	7.4	22.2
58.5	8.7	1.6	3.1	2.1	11.1	1.4	7.5	22.8
59.2	8.6	1.7	3.2	2.1	11.2	1.5	7.7	23.4
60.1	8.4	1.7	3.2	2.1	11.3	1.5	7.9	24.0
61.1	8.2	1.8	3.2	2.2	11.4	1.5	8.1	24.7
62.1	8.0	1.8	3.3	2.2	11.6	1.5	8.3	25.5
63.0	7.8	1.8	3.3	2.2	11.7	1.5	8.5	26.2
64.0	7.6	1.7	3.4	2.2	11.9	1.5	8.7	26.9
65.0	7.5	1.8	3.4	2.2	12.1	1.5	8.9	27.7
66.1	7.2	1.8	3.4	2.3	12.2	1.5	9.1	28.5



# Inyo County Economic Forecast

Inyo County, the second largest county in California, spans more than 10,000 square miles, most of which is publicly owned. Mammoth Mountain Skiing and Hiking area, and Yosemite National Park, along with other popular recreational areas, are located in Inyo County. Consequently, the county has evolved into is a very popular destination for fishing, hiking, and climbing activities. As a result, the tourism industry plays a major role in the county's economy.

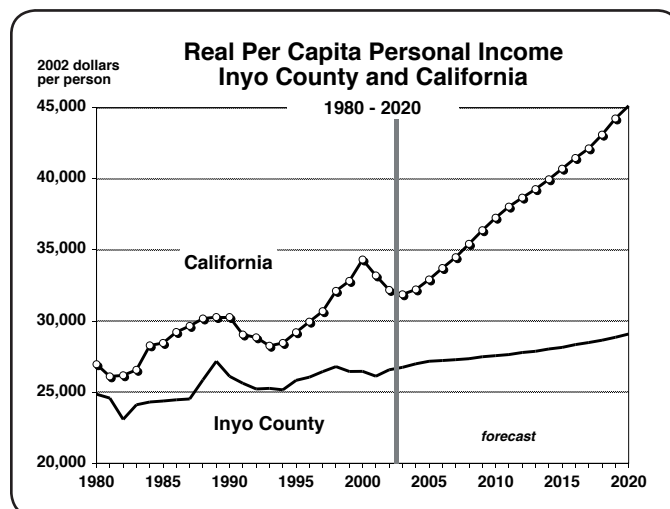
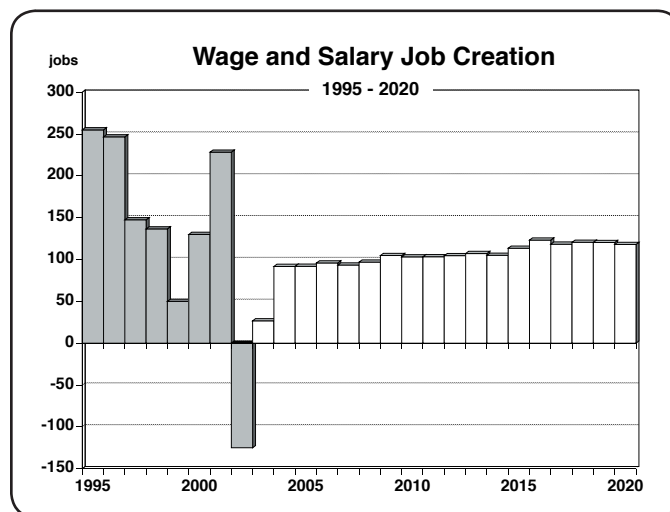
The annual average unemployment rate for 2002 was 5.9 percent. Up to then, the rate had been steadily declining since 1992.

According to the 2002 annual average job statistics, government, services, and retail trade were the dominant industries in the county's total employment. The public sector accounted for the largest share (37 percent of all employment), and services contributed 23 percent (1,820 jobs) of the total.

The retail trade sector represents 27 percent of total employment in the county with the majority of jobs in restaurants and other food places. Industry employment projections for the forecast period indicate that services, retail trade, and government industries will maintain the largest shares of growth during the remainder of this decade. These three industries combined are expected to account for over 86 percent of total employment by the year 2010.

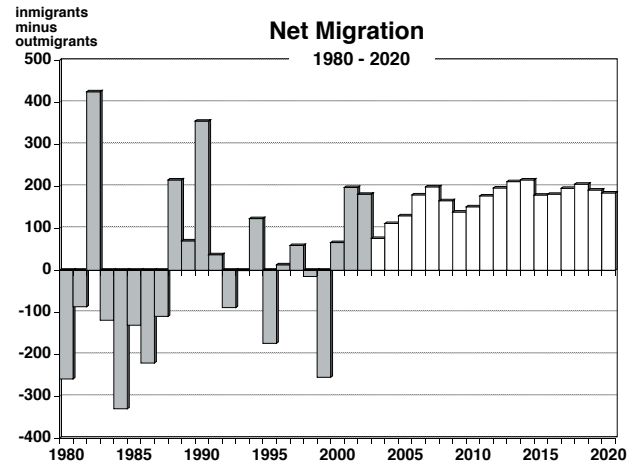
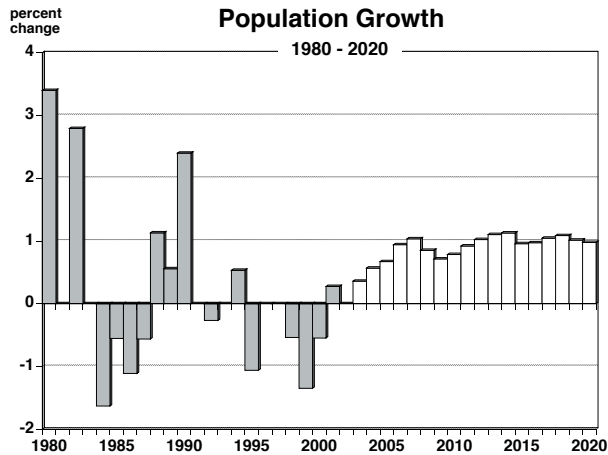
## Forecast Highlights

- Non-farm employment is projected to grow at an annual compound rate of 1.2 percent between 2003 and 2008. Over that time period, a total of 500 new jobs are created. The majority of new jobs created are in the public sector.
- Farm sector employment continues to shrink. However, the farm sector will remain important to Inyo County over the decade. Jobs in farming represented 5.1 percent of total Inyo County jobs in 2002. By 2008, the share of farm jobs declines to 4.6 percent.
- Population growth remains limited over the foreseeable future. The natural increase turns positive over the forecast period, but only marginally. This is because the 65 and older aged population is proportionately



large in Inyo County. The forecast for net migration is also positive, but very small. There are not enough jobs created, together with an older population, that prevents new population growth from rising much over the forecast period.

- Real per capita income is forecast to rise 0.5 percent per year over the next 5 years. Much of the income growth is due to the older aged populations receiving pension income and asset income. The forecasted rate exceeds the historical annual rate during the 1997 to 2002 period (which averaged 0.10 percent).

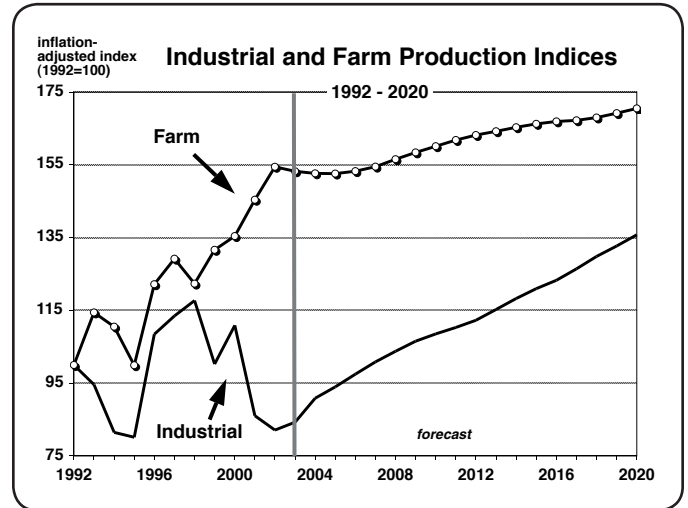
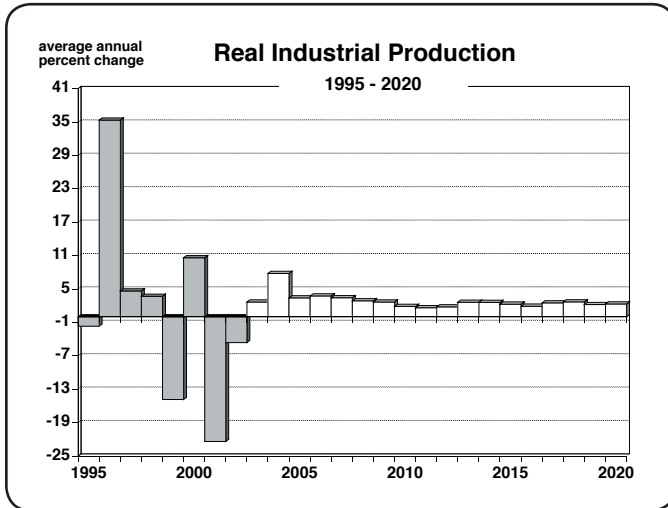


## Inyo County Economic Forecast

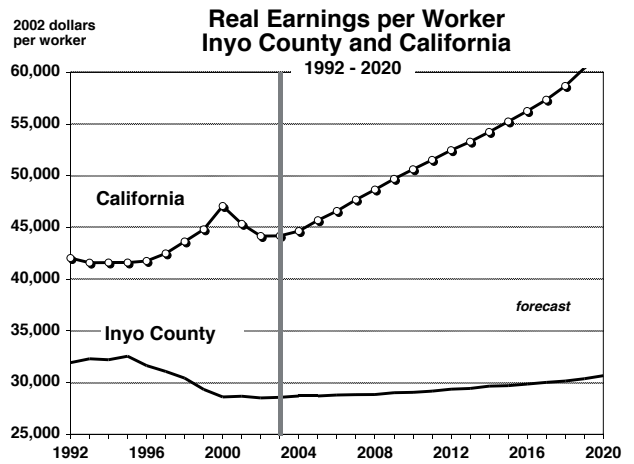
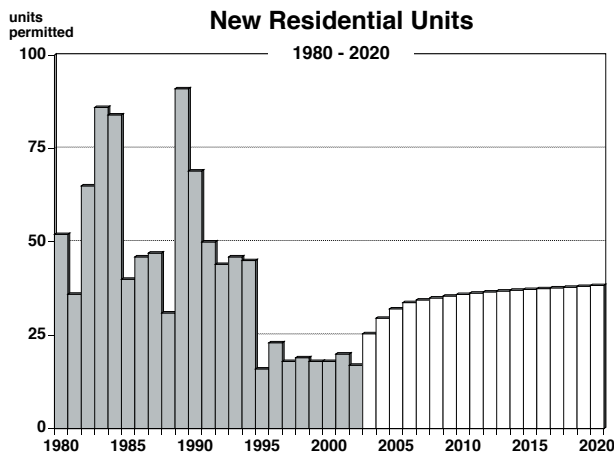
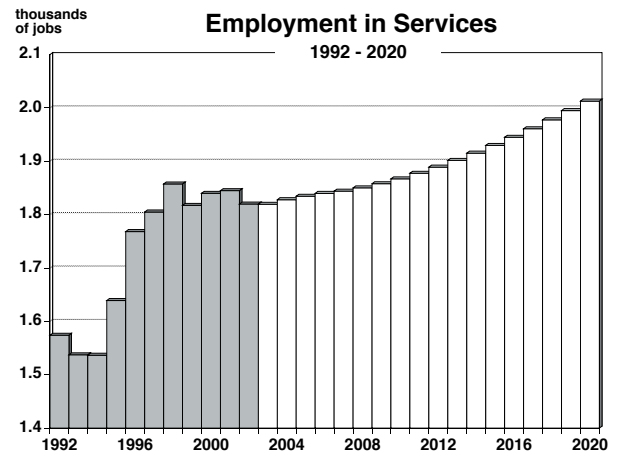
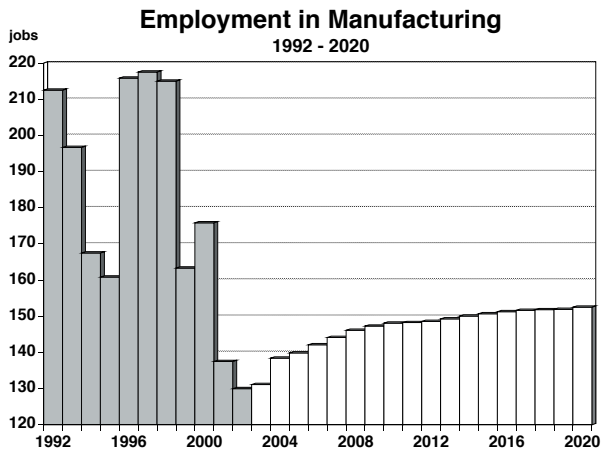
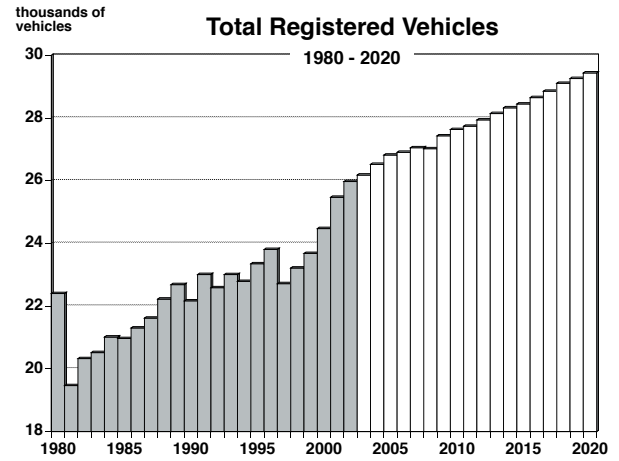
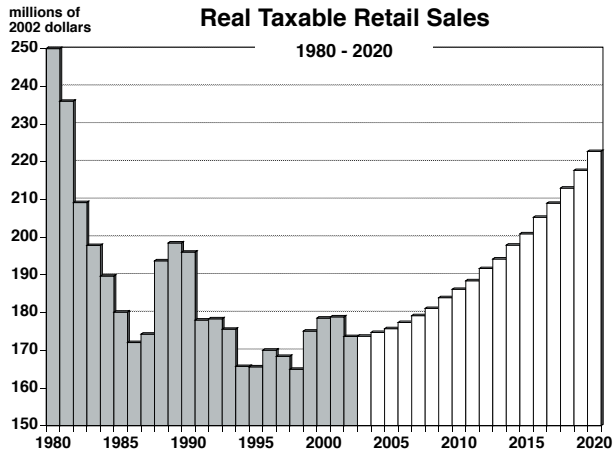
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	18,650	-174	23.4	7.8	16	\$140.6	\$409.0	\$25,831	\$9.7	\$26.2
1996	18,650	13	23.8	7.8	23	\$146.8	\$419.6	\$26,055	\$12.1	\$35.5
1997	18,650	59	22.7	7.8	18	\$147.9	\$432.9	\$26,443	\$13.0	\$37.2
1998	18,550	-15	23.2	7.9	19	\$146.9	\$442.5	\$26,791	\$12.5	\$38.5
1999	18,300	-255	23.7	7.9	18	\$159.6	\$441.1	\$26,450	\$13.7	\$32.8
2000	18,200	66	24.5	7.7	18	\$168.1	\$453.4	\$26,461	\$14.6	\$36.3
2001	18,250	197	25.5	7.7	20	\$174.1	\$463.8	\$26,116	\$16.2	\$28.2
2002	18,250	181	26.0	7.8	17	\$173.7	\$503.2	\$26,572	\$17.7	\$26.9
2003	18,316	76	26.2	7.8	25	\$177.7	\$503.4	\$26,744	\$18.0	\$27.6
2004	18,420	111	26.5	7.8	30	\$183.2	\$520.9	\$26,995	\$18.3	\$29.7
2005	18,543	130	26.8	7.8	32	\$188.7	\$538.7	\$27,169	\$18.8	\$30.8
2006	18,718	179	26.9	7.9	34	\$195.1	\$557.9	\$27,219	\$19.3	\$31.9
2007	18,911	199	27.1	7.9	34	\$201.6	\$577.3	\$27,280	\$19.9	\$33.0
2008	19,072	165	27.0	7.9	35	\$208.4	\$597.4	\$27,346	\$20.6	\$34.0
2009	19,208	139	27.4	8.0	35	\$216.5	\$619.8	\$27,484	\$21.4	\$34.9
2010	19,359	151	27.6	8.0	36	\$224.5	\$642.8	\$27,561	\$22.1	\$35.5
2011	19,538	177	27.7	8.0	36	\$233.0	\$667.0	\$27,640	\$22.9	\$36.1
2012	19,737	196	27.9	8.1	37	\$243.1	\$694.2	\$27,788	\$23.7	\$36.8
2013	19,955	211	28.1	8.1	37	\$252.7	\$721.1	\$27,872	\$24.5	\$37.7
2014	20,180	215	28.3	8.2	37	\$263.7	\$750.1	\$28,038	\$25.2	\$38.7
2015	20,374	179	28.5	8.2	37	\$274.2	\$778.3	\$28,143	\$26.0	\$39.6
2016	20,572	181	28.7	8.2	37	\$287.2	\$811.2	\$28,346	\$26.8	\$40.4
2017	20,786	195	28.9	8.3	38	\$300.0	\$844.6	\$28,490	\$27.5	\$41.4
2018	21,012	205	29.1	8.3	38	\$313.5	\$878.9	\$28,651	\$28.3	\$42.5
2019	21,225	191	29.3	8.4	38	\$328.1	\$915.2	\$28,857	\$29.2	\$43.4
2020	21,433	184	29.4	8.4	38	\$343.4	\$952.4	\$29,082	\$30.1	\$44.4

- Inflation-adjusted home prices are forecast to rise between 3 and 4 percent per year between 2003 and 2008. This rate of price appreciation exceeds the average annual rate that prevailed during the 1997 to 2002 period.



Total Wage & Salary	Farm	Construction	Mining	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----									
7,096	51	144	219	161	273	2,013	141	1,639	2,454
7,343	49	143	197	216	284	2,066	143	1,768	2,477
7,490	50	165	174	218	267	2,175	150	1,805	2,487
7,627	53	186	222	215	238	2,148	155	1,858	2,553
7,677	50	226	168	163	349	2,138	141	1,818	2,623
7,807	48	233	168	176	308	2,160	135	1,840	2,739
8,035	50	251	138	138	357	2,185	135	1,845	2,937
7,910	40	250	130	130	370	2,110	150	1,820	2,910
7,937	40	253	131	131	369	2,096	151	1,819	2,947
8,029	39	258	135	138	373	2,104	154	1,828	2,999
8,120	39	262	138	140	378	2,111	157	1,835	3,062
8,216	38	268	138	142	388	2,119	160	1,840	3,123
8,310	38	271	139	144	397	2,127	163	1,844	3,186
8,407	39	273	140	146	405	2,135	166	1,850	3,254
8,512	39	274	140	147	413	2,144	169	1,858	3,328
8,615	39	274	140	148	423	2,151	172	1,867	3,401
8,718	40	275	139	148	433	2,159	175	1,878	3,472
8,823	41	276	138	149	441	2,168	178	1,889	3,544
8,930	41	276	137	149	447	2,175	181	1,902	3,621
9,035	42	277	137	150	453	2,185	184	1,915	3,692
9,149	42	278	137	151	460	2,193	187	1,930	3,771
9,272	43	279	136	151	466	2,204	191	1,945	3,856
9,390	43	280	135	152	473	2,214	194	1,961	3,939
9,511	44	282	132	152	483	2,224	197	1,978	4,020
9,631	44	283	131	152	493	2,236	200	1,995	4,098
9,749	45	283	131	153	501	2,248	203	2,013	4,172



# Kern County Economic Forecast

Kern County is California's third largest county in land area (behind San Bernardino and Inyo counties). It covers more than 8,000 square miles and is larger than the states of Hawaii, Massachusetts, or New Jersey.

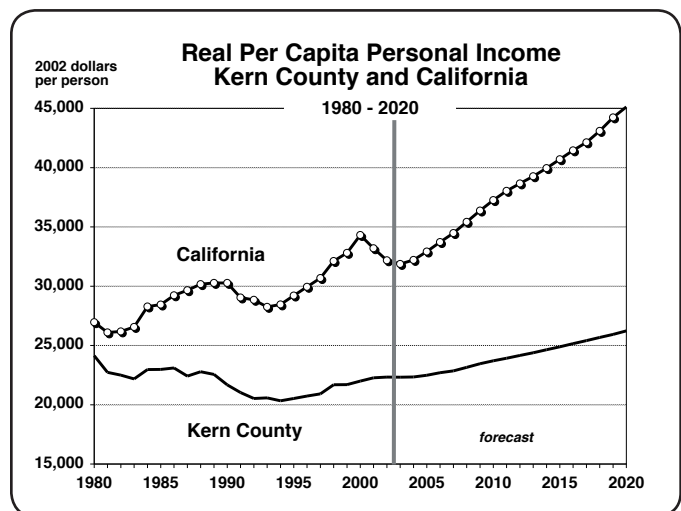
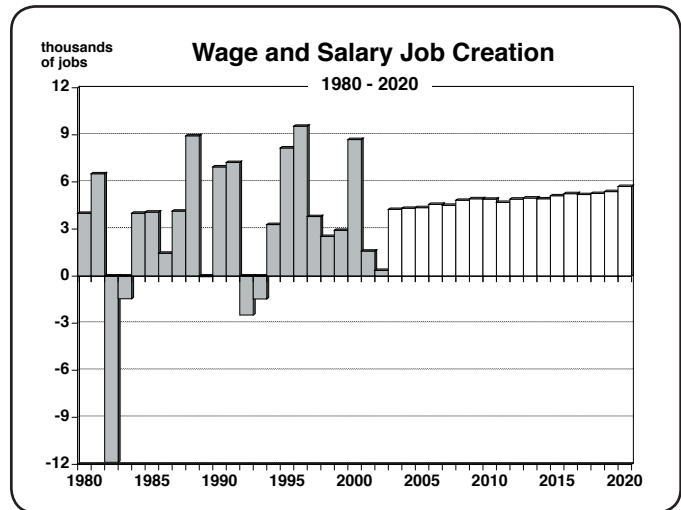
Agriculture is the third largest employer in Kern County, with 40,000 wage and salary workers representing 16.4 percent of the total employment. The agriculture industry appears to have reached a plateau in recent years. The annual total crop value, adjusted for inflation, has remained relatively constant since 1993. Farm employment is now declining. The farm workforce has dropped 20 percent since 1996.

Agriculturally oriented counties tend to have greater seasonal variations in employment and higher unemployment rates. The unemployment rate for Kern County during 2002 was 11.8 percent. As the non-farm economy grows over the next 5 years, the unemployment rate is expected to fall continuously.

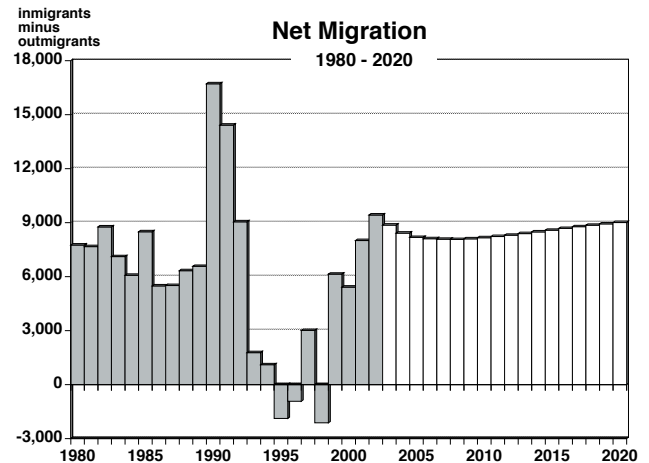
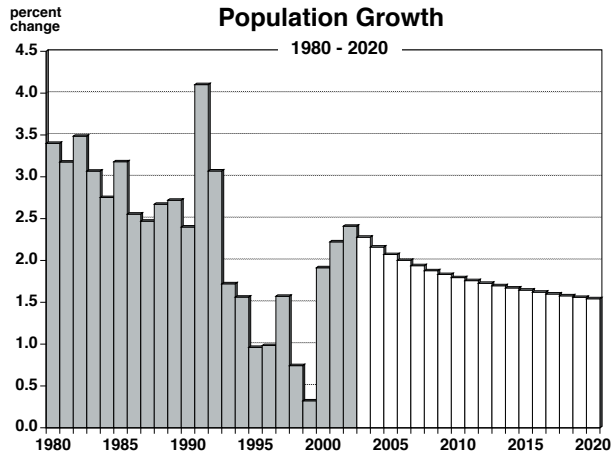
The local economy is becoming increasingly more diversified in light manufacturing, and value-added agriculture (i.e., food processing). Since mid-1995, Kern County has been the choice for key company re-locations due to accessible transportation routes, low labor costs, and especially affordable housing costs. The median home selling price of a home in Bakersfield in January 2003 was \$138,980. For all of California, the median selling price was \$336,740.

## Forecast Highlights

- Total wage and salary job growth is projected to average 1.8 percent per year between 2003 and 2008. This rate is higher than the average 1.4 percent per year growth recorded from 1997 to 2002. However, jobs in the non-farm sector increase at an average annual 2.2 percent clip over the next 5 years.
- Employment in the services sector increases 3 percent per year, and government jobs rise 2.7 percent per year, over the next 5 years. Other sectors contributing new jobs to the Kern County economy include construction, finance, real estate, and retail trade.
- With the forecast decline of jobs in farming, the unemployment rate will move lower over the next 5 years. By the end of the decade, rates will fall to near all-time lows.



- Per capita incomes grow more slowly between 2003 and 2008. The average compound rate of growth is 0.74 percent. Average salaries adjusted for inflation improve an average rate of 0.5 percent per year.
- More housing is expected to be permitted and built in Kern County, because housing is affordable and net-migration is projected to increase. Additional production of housing will keep housing values contained. However, selling values of single-family homes are still expected to rise, averaging 1.6 percent per year in inflation-adjusted dollars between 2003 and 2008.

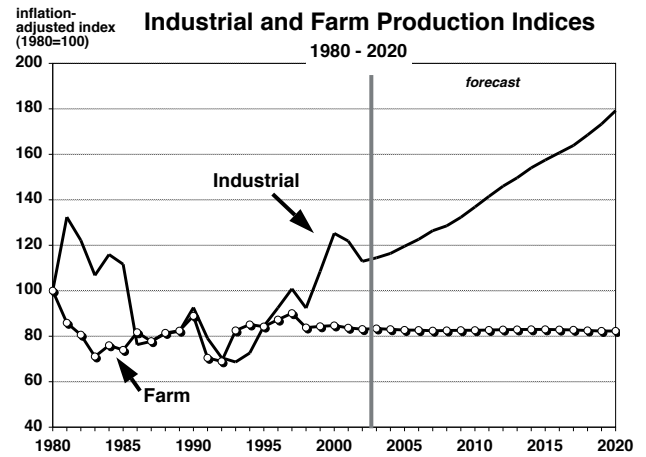
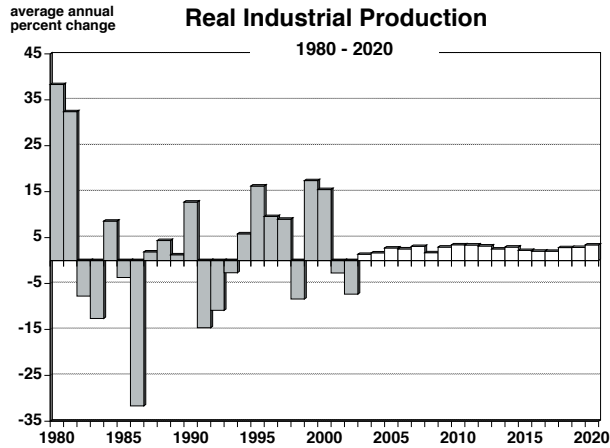


## Kern County Economic Forecast

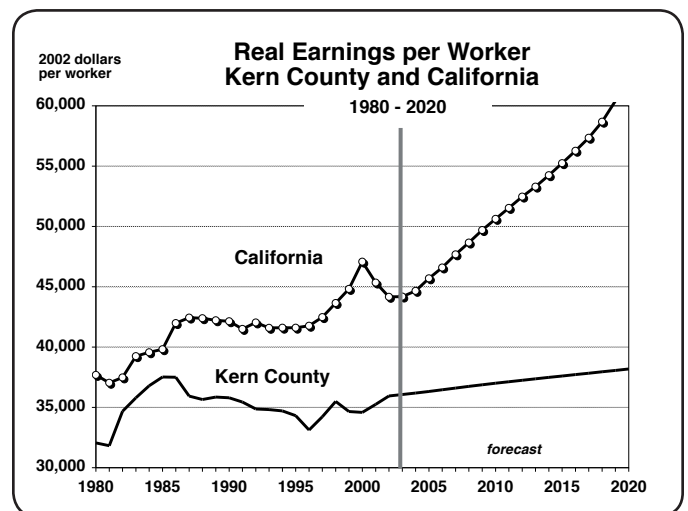
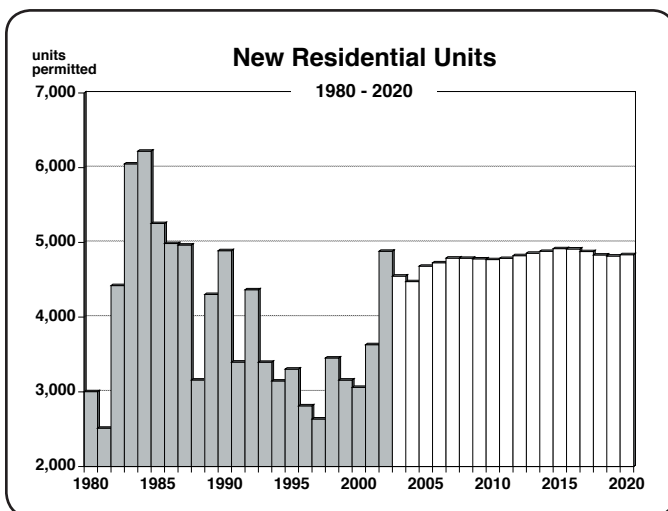
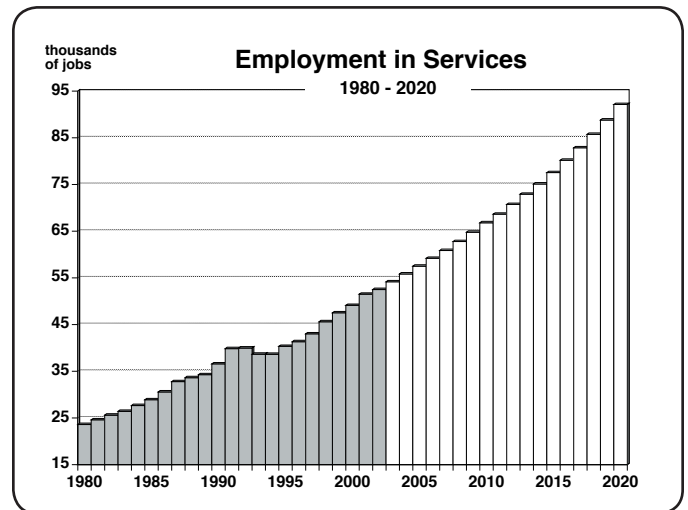
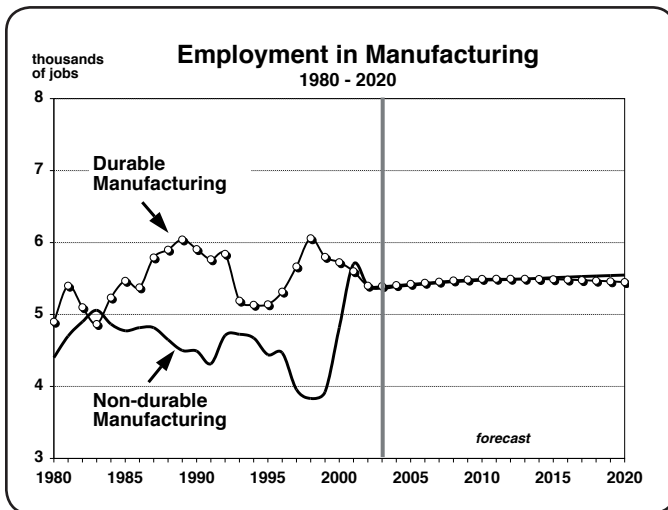
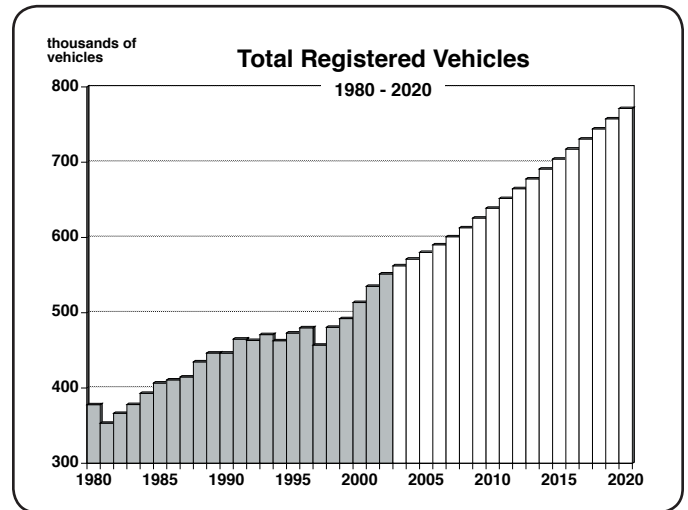
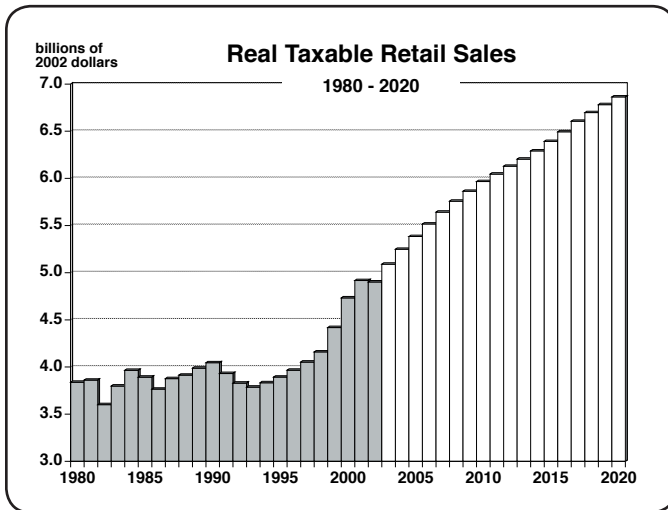
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	630,300	-1,880	473	200	3,304	\$3.3	\$11.0	\$20,529	\$1,981	\$4.8
1996	636,500	-924	480	203	2,812	\$3.4	\$11.4	\$20,738	\$2,088	\$5.2
1997	646,500	3,011	457	206	2,637	\$3.6	\$11.9	\$20,918	\$2,191	\$5.7
1998	651,300	-2,124	481	209	3,453	\$3.7	\$12.6	\$21,686	\$2,068	\$5.2
1999	653,400	6,139	492	212	3,157	\$4.0	\$12.9	\$21,698	\$2,129	\$6.1
2000	665,900	5,419	514	208	3,060	\$4.5	\$13.8	\$21,992	\$2,209	\$7.1
2001	680,700	8,006	535	211	3,631	\$4.8	\$14.8	\$22,271	\$2,256	\$6.9
2002	697,100	9,427	552	214	4,881	\$4.9	\$15.6	\$22,331	\$2,302	\$6.4
2003	712,979	8,867	563	219	4,549	\$5.2	\$16.3	\$22,318	\$2,362	\$6.5
2004	728,380	8,419	571	223	4,475	\$5.5	\$17.1	\$22,346	\$2,411	\$6.6
2005	743,461	8,180	580	227	4,682	\$5.8	\$18.0	\$22,483	\$2,461	\$6.8
2006	758,338	8,108	590	232	4,727	\$6.1	\$18.9	\$22,704	\$2,520	\$6.9
2007	773,028	8,077	601	236	4,790	\$6.3	\$19.9	\$22,859	\$2,568	\$7.2
2008	787,541	8,064	613	241	4,787	\$6.6	\$21.0	\$23,158	\$2,630	\$7.3
2009	801,969	8,103	626	245	4,779	\$6.9	\$22.1	\$23,460	\$2,694	\$7.5
2010	816,359	8,162	639	249	4,770	\$7.2	\$23.3	\$23,703	\$2,761	\$7.7
2011	830,718	8,228	652	254	4,786	\$7.5	\$24.6	\$23,920	\$2,833	\$8.0
2012	845,061	8,302	665	258	4,822	\$7.8	\$25.9	\$24,163	\$2,911	\$8.3
2013	859,412	8,391	678	263	4,855	\$8.1	\$27.3	\$24,381	\$2,990	\$8.5
2014	873,773	8,485	691	267	4,880	\$8.4	\$28.7	\$24,639	\$3,064	\$8.7
2015	888,148	8,579	704	272	4,916	\$8.7	\$30.2	\$24,887	\$3,137	\$8.9
2016	902,540	8,679	718	277	4,912	\$9.1	\$31.8	\$25,155	\$3,213	\$9.1
2017	916,967	8,773	731	281	4,877	\$9.5	\$33.4	\$25,406	\$3,292	\$9.3
2018	931,434	8,854	744	286	4,831	\$9.9	\$35.2	\$25,677	\$3,363	\$9.5
2019	945,953	8,928	758	290	4,818	\$10.2	\$37.0	\$25,937	\$3,437	\$9.8
2020	960,544	9,009	771	295	4,836	\$10.6	\$38.8	\$26,227	\$3,516	\$10.1





Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
					employment (jobs)				
214.9	42.1	8.5	10.9	9.6	9.0	41.3	5.9	40.3	47.3
224.5	49.6	8.2	10.5	9.8	9.2	42.2	6.3	41.3	47.3
228.3	49.0	8.8	10.4	9.6	9.9	42.6	6.6	43.0	48.2
230.8	46.5	9.9	9.1	9.9	11.0	42.8	7.2	45.6	48.8
233.7	44.9	10.0	8.2	9.7	11.2	44.5	7.3	47.5	50.3
242.4	48.3	10.9	9.0	10.5	11.3	44.4	7.3	49.1	51.6
244.0	41.8	13.2	8.9	11.3	11.2	44.8	7.8	51.5	53.6
244.4	40.2	13.6	7.8	10.8	11.1	45.2	8.0	52.5	55.2
248.6	39.8	13.9	7.8	10.8	11.1	46.0	8.3	54.1	56.6
252.9	39.4	14.2	7.7	10.8	11.2	46.9	8.7	55.8	58.1
257.3	39.0	14.5	7.7	10.8	11.3	47.7	9.1	57.5	59.7
261.9	38.7	14.7	7.7	10.9	11.4	48.6	9.4	59.2	61.4
266.4	38.3	14.9	7.6	10.9	11.5	49.4	9.8	60.9	63.0
271.2	38.1	15.0	7.6	10.9	11.7	50.2	10.2	62.8	64.7
276.1	38.1	15.1	7.6	11.0	11.9	51.0	10.5	64.8	66.2
281.0	38.0	15.2	7.6	11.0	12.1	51.8	10.9	66.8	67.7
285.7	38.0	15.3	7.6	11.0	12.3	52.5	11.3	68.6	69.2
290.6	38.0	15.4	7.6	11.0	12.5	53.2	11.7	70.7	70.5
295.6	38.1	15.4	7.6	11.0	12.8	53.8	12.1	72.9	71.9
300.5	38.2	15.5	7.6	11.0	13.1	54.5	12.4	75.1	73.1
305.6	38.2	15.6	7.7	11.0	13.4	55.1	12.8	77.5	74.4
310.9	38.2	15.7	7.7	11.0	13.7	55.7	13.2	80.2	75.6
316.1	38.1	15.8	7.7	11.0	14.1	56.3	13.6	82.8	76.7
321.4	38.0	15.9	7.7	11.0	14.4	56.9	14.0	85.7	77.9
326.7	37.8	16.0	7.7	11.0	14.8	57.4	14.3	88.8	79.0
332.5	37.6	16.0	7.7	11.0	15.1	57.9	14.7	92.1	80.2



# Kings County Economic Forecast

Kings County's primary industries include government, agriculture, and services. Government is the largest industry in the county, accounting for 36 percent of the employment. It is also the fastest growing sector, averaging 7.1 percent growth per year between 1997 and 2002. Growth in this industry is concentrated in the state and local government sector, which is projected to reach 14,000 jobs by 2008.

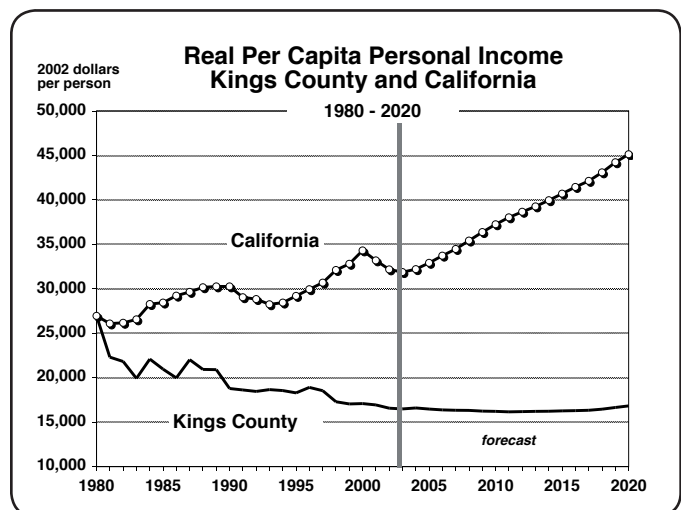
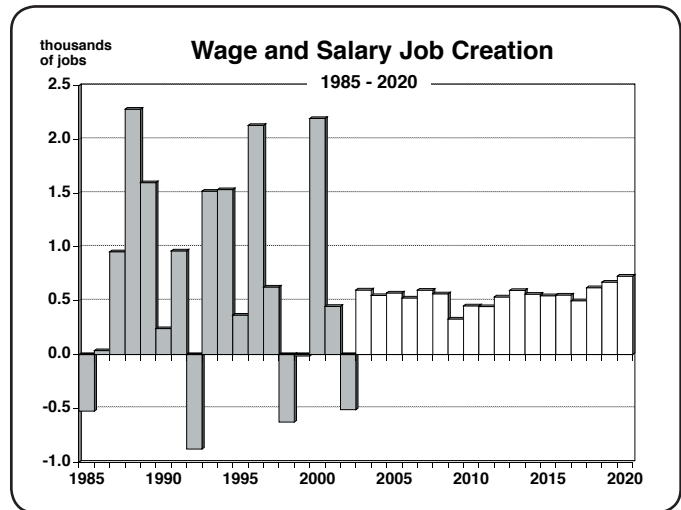
Services is the fastest growing private industry in the county. Between 1997 and 2002 services employment grew at a compound annual rate of 3.3 percent per year. Industry projections for the period 2003-2008 estimate services will increase by an average rate of 2.9 percent per year.

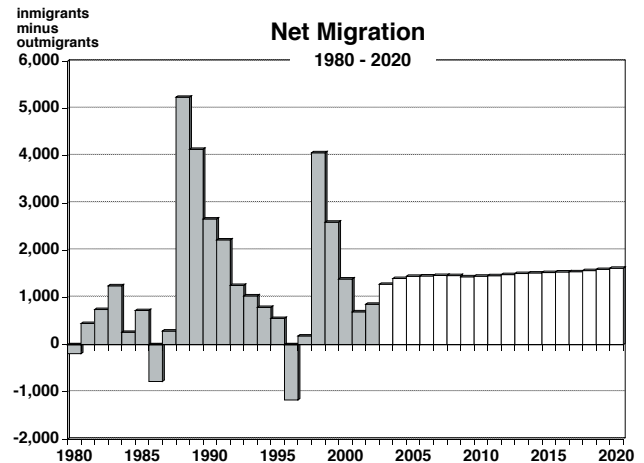
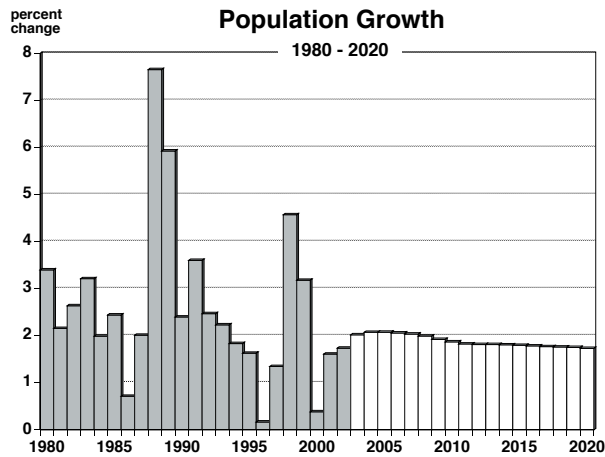
Another significant industry in Kings' economy is agriculture. Accounting for 19 percent of the county's total employment, Kings County produced over \$1 billion dollars in gross income during 2002 from the agricultural business. A leading agricultural county, Kings ranks twelfth in the state by value of production. The Tulare Lake Basin, the natural drainage area for the Kings, Kaweah, and Tulare rivers, is one of the most fertile regions in the world, supporting extensive cotton and tomato farming operations. Milk, cattle and calves, turkeys, and alfalfa hay are some of the other important crops in the county.

Building upon a solid agricultural base, Kings County has sought to diversify its economy with competitive incentives. As a result, the county has seen major expansions in the food processing industry and manufacturing industry in general. Kings County's manufacturing sectors are projected to grow slowly over the forecast period, with jobs being created mostly in the food-processing sector.

## Forecast Highlights

- The county is forecast to create 3,400 new wage and salary jobs between 2003 and 2008. The forecast rate of job growth averages 1.4 percent per year. The services sector will lead all other employment sectors in job growth.
- Real per capita income is projected to remain relatively flat over the next 5 years.
- The unemployment rate is expected to decline steadily over the forecast period, as the non-farm sector grows and the county diversifies outside the agricultural sector.
- Population growth averages 2.1 percent per year between 2003 and 2008. The natural increase is the principal engine of population growth. Net migration into the county remains positive, averaging 1,420 persons per year.
- Approximately 660 new homes are permitted each year over the next 5 years. That rate of building is adequate to keep housing prices from rising sharply. However, sharply rising prices have not been indicative of the Kings County housing market over the last several years. Home prices are very affordable in Kings County, averaging \$104,000 in 2002. Approximately 3 percent annual increases in inflation-adjusted housing values are forecast over the next 5 years.

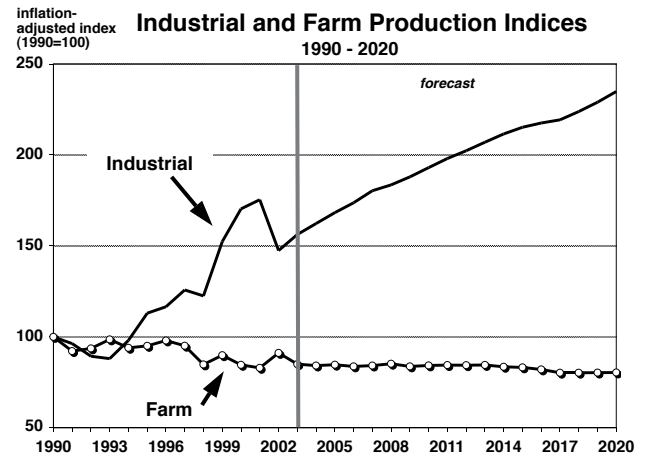
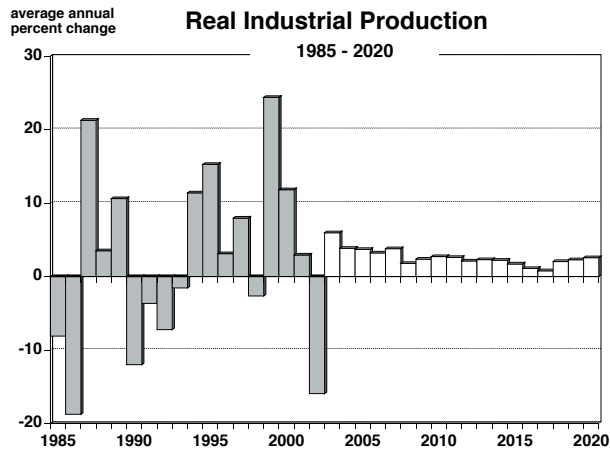




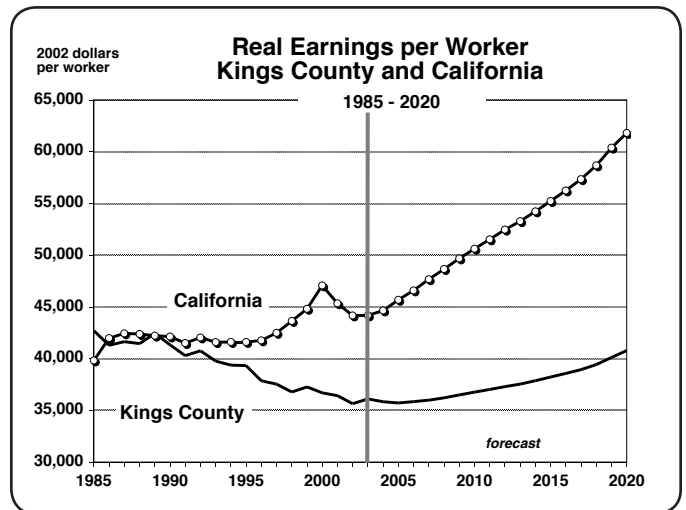
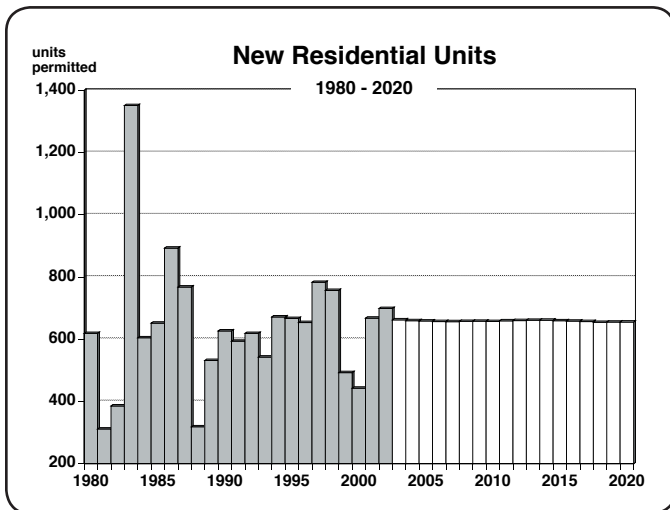
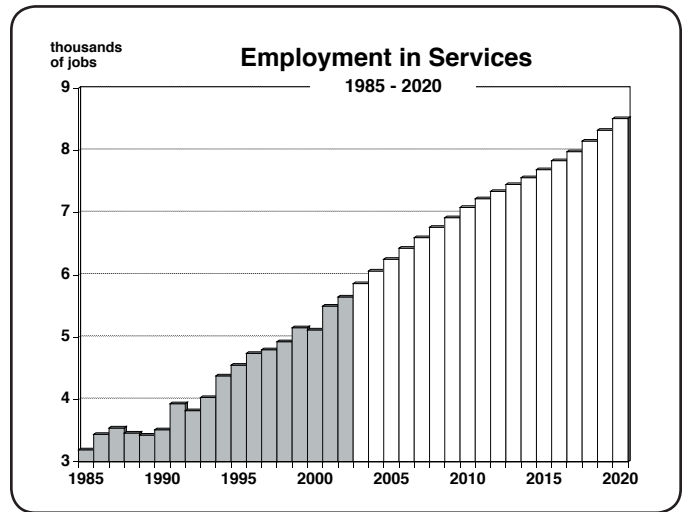
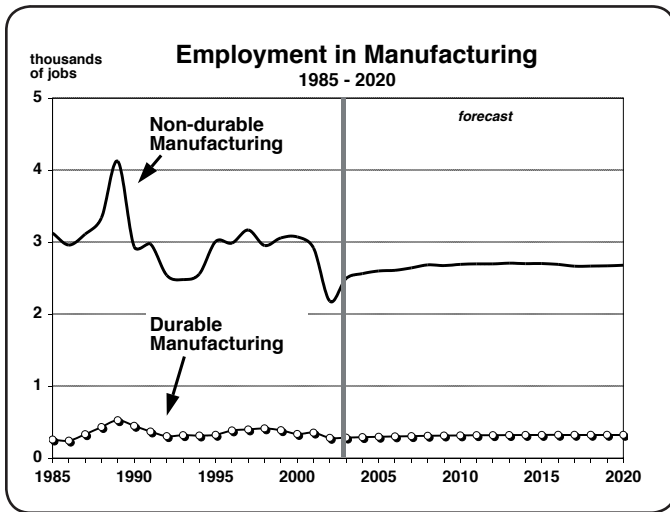
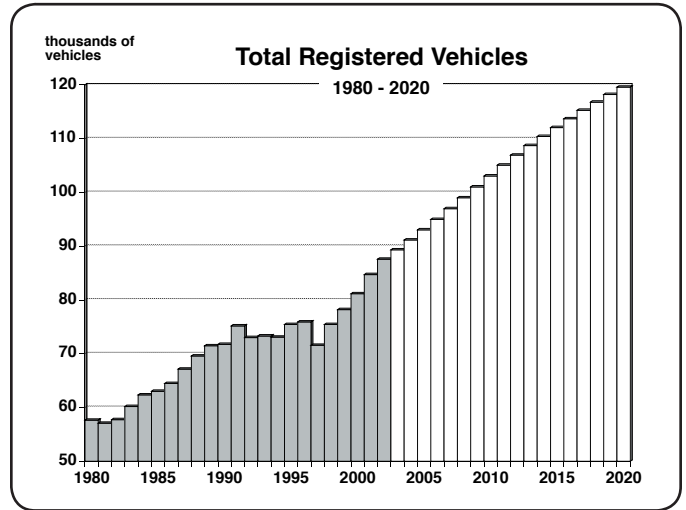
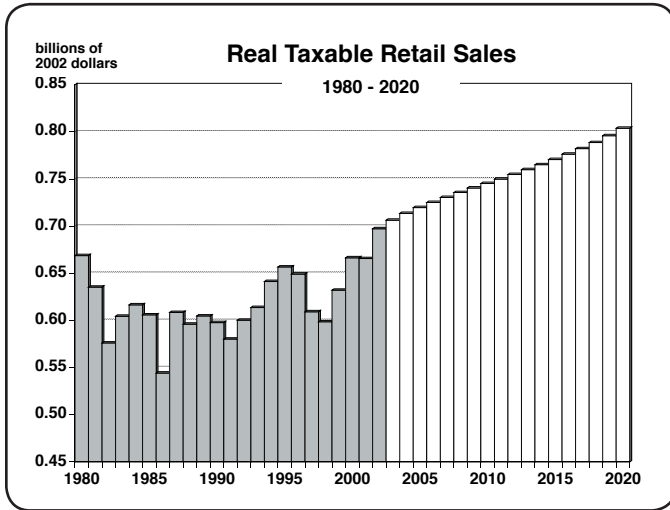
## Kings County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	118,500	557	75	31	667	\$0.6	\$1.8	\$18,301	\$906	\$0.6
1996	118,700	-1,169	76	32	654	\$0.6	\$1.9	\$18,919	\$950	\$0.6
1997	120,300	187	72	33	783	\$0.5	\$2.0	\$18,552	\$937	\$0.7
1998	125,800	4,064	75	33	757	\$0.5	\$1.9	\$17,305	\$848	\$0.7
1999	129,800	2,594	78	34	493	\$0.6	\$2.0	\$17,059	\$919	\$0.8
2000	130,300	1,393	81	34	443	\$0.6	\$2.1	\$17,097	\$894	\$0.9
2001	132,400	697	85	35	668	\$0.6	\$2.2	\$16,947	\$906	\$1.0
2002	134,700	858	88	35	699	\$0.7	\$2.2	\$16,582	\$1,023	\$0.8
2003	137,423	1,280	89	36	663	\$0.7	\$2.4	\$16,500	\$976	\$0.9
2004	140,273	1,402	91	36	660	\$0.7	\$2.4	\$16,611	\$991	\$0.9
2005	143,185	1,449	93	37	659	\$0.8	\$2.5	\$16,488	\$1,020	\$0.9
2006	146,135	1,458	95	38	657	\$0.8	\$2.6	\$16,389	\$1,033	\$1.0
2007	149,112	1,468	97	38	657	\$0.8	\$2.7	\$16,343	\$1,063	\$1.0
2008	152,085	1,464	99	39	658	\$0.8	\$2.9	\$16,332	\$1,100	\$1.0
2009	155,008	1,439	101	40	658	\$0.9	\$3.0	\$16,253	\$1,106	\$1.0
2010	157,910	1,452	103	40	657	\$0.9	\$3.1	\$16,221	\$1,140	\$1.1
2011	160,793	1,463	105	41	659	\$0.9	\$3.2	\$16,173	\$1,172	\$1.1
2012	163,710	1,486	107	42	660	\$1.0	\$3.4	\$16,200	\$1,201	\$1.1
2013	166,681	1,509	109	42	661	\$1.0	\$3.5	\$16,222	\$1,234	\$1.1
2014	169,694	1,520	110	43	661	\$1.0	\$3.7	\$16,233	\$1,250	\$1.2
2015	172,744	1,530	112	43	660	\$1.1	\$3.8	\$16,273	\$1,275	\$1.2
2016	175,827	1,541	114	44	658	\$1.1	\$4.0	\$16,309	\$1,288	\$1.2
2017	178,938	1,546	115	45	657	\$1.1	\$4.2	\$16,349	\$1,294	\$1.2
2018	182,090	1,571	117	45	655	\$1.2	\$4.4	\$16,469	\$1,325	\$1.2
2019	185,280	1,595	118	46	655	\$1.2	\$4.6	\$16,654	\$1,359	\$1.3
2020	188,487	1,619	120	47	656	\$1.2	\$4.9	\$16,831	\$1,392	\$1.3



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
33.4	7.8	0.9	3.3	0.9	6.3	0.6	4.6	8.8
35.5	9.5	0.9	3.4	0.8	6.4	0.7	4.7	9.1
36.2	9.4	0.9	3.6	0.8	6.5	0.6	4.8	9.6
35.5	7.8	0.9	3.4	0.8	6.5	0.7	4.9	10.5
35.5	6.9	1.0	3.4	0.8	6.4	0.8	5.2	11.0
37.7	7.7	1.1	3.4	0.8	6.5	0.7	5.1	12.4
38.2	7.0	1.3	3.3	0.7	6.5	0.7	5.5	13.2
37.7	7.0	1.2	2.5	0.6	6.6	0.7	5.7	13.5
38.3	6.9	1.2	2.8	0.6	6.6	0.7	5.9	13.6
38.8	6.9	1.2	2.9	0.6	6.7	0.8	6.1	13.8
39.4	6.9	1.2	2.9	0.6	6.7	0.8	6.3	14.1
39.9	6.8	1.2	2.9	0.6	6.8	0.8	6.4	14.3
40.5	6.9	1.2	2.9	0.6	6.8	0.8	6.6	14.6
41.1	6.9	1.2	3.0	0.6	6.8	0.8	6.8	14.9
41.4	6.9	1.2	3.0	0.7	6.9	0.8	6.9	15.0
41.8	7.0	1.2	3.0	0.7	6.9	0.8	7.1	15.2
42.3	7.0	1.2	3.0	0.7	6.9	0.8	7.2	15.4
42.8	7.1	1.2	3.0	0.7	7.0	0.8	7.3	15.7
43.4	7.1	1.2	3.0	0.7	7.0	0.8	7.5	16.1
44.0	7.2	1.2	3.0	0.7	7.0	0.9	7.6	16.4
44.5	7.2	1.2	3.0	0.7	7.1	0.9	7.7	16.8
45.1	7.2	1.2	3.0	0.7	7.1	0.9	7.8	17.2
45.6	7.1	1.2	3.0	0.7	7.1	0.9	8.0	17.6
46.2	7.1	1.2	3.0	0.7	7.2	0.9	8.2	18.0
46.9	7.1	1.2	3.0	0.7	7.2	0.9	8.3	18.4
47.6	7.1	1.2	3.0	0.8	7.2	0.9	8.5	18.9



# Lake County Economic Forecast

Lake County's economy is based largely on tourism and recreation. Clear Lake, the county's main attraction, has over 100 miles of shoreline, and is a popular destination for water-sports enthusiasts.

In January 2003, Lake County's population was 61,300. The two cities in the county are Clearlake, population 13,550, and Lakeport, population 5,000 in 2003. By the year 2010, population of Lake County is projected to grow to 68,578, an increase of 12 percent.

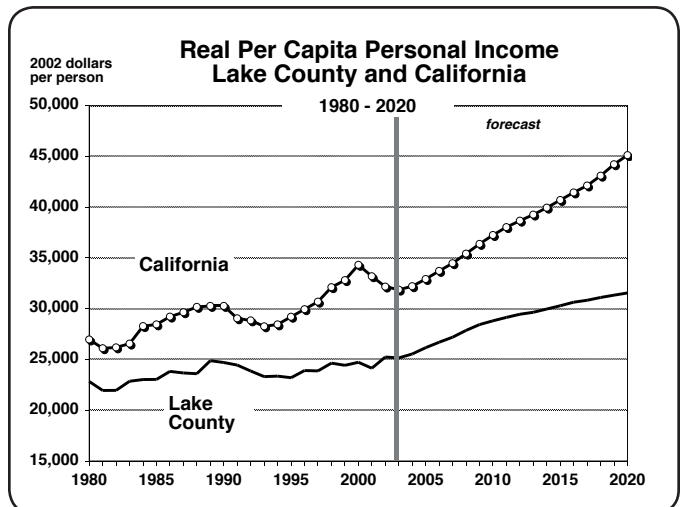
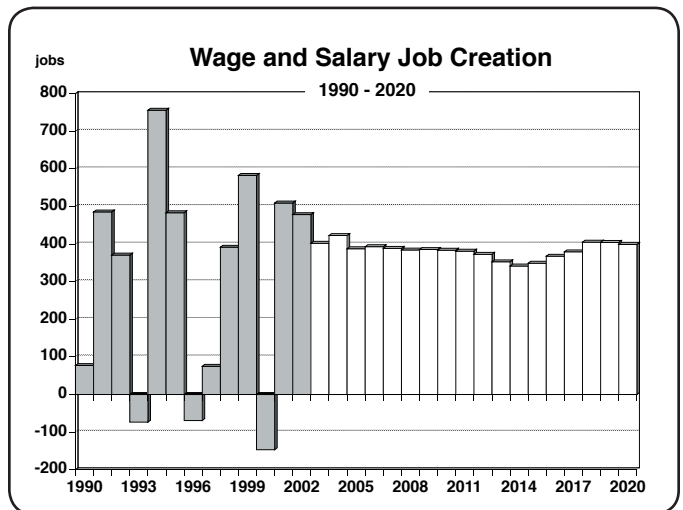
The county's annual average unemployment rate was 8.4 percent in 2002. Typically, in counties such as Lake where recreation and tourism are significant factors in the economy, there is substantial seasonal employment, and as a result, higher annual unemployment rates.

Government, services, and retail trade dominate Lake County's current economic base. Government and services each comprise 27 percent of total employment; and the trade sector provides 22 percent of the total. Agriculture, which contributes 6.5 percent of all employment, is an important industry as well. The county's rich soil makes it an ideal area for crop production, primarily pears, wine grapes, and walnuts. In recent years, many orchards have been cultivated for the production of wine grapes.

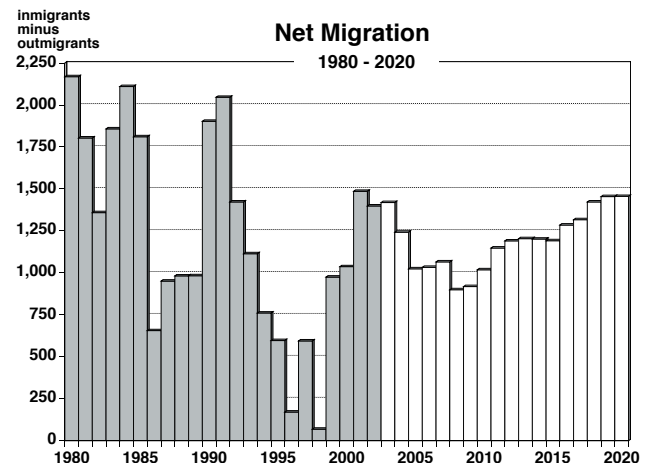
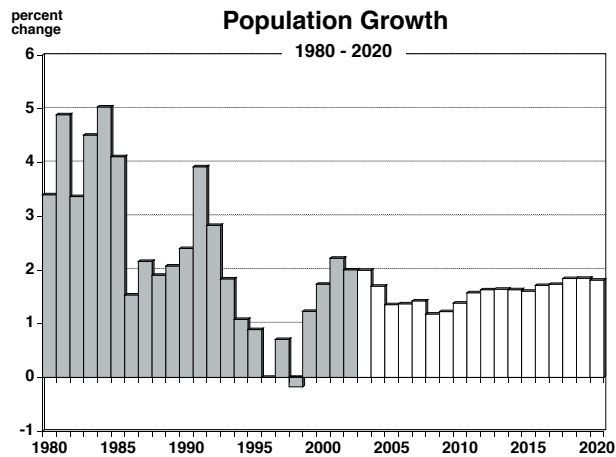
Employment in the services industry is projected to grow at the rapid pace of 3.6 percent per year between 2003 and 2008. Within the services industry, most of the new jobs will be in social services, amusement and recreation, and business services. The public sector will add nearly 800 jobs over the next 5 years, principally in education.

## Forecast Highlights

- A non-farm job growth rate of 2.7 percent is forecast for Lake County between 2003 and 2008. The services and the public sector will account for 78 percent of the total wage and salary job growth.
- Inflation-adjusted per capita income rises an average of 2.1 percent per year over the next 5 years. In 2002, personal income averaged just under \$25,240 per person.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 261 per year, a substantial increase over the 173 units authorized per year between 1997 and 2002 in Lake County.



- Population growth is forecast to remain in the same range over the next 5 years, as it had been growing over the previous five. A greater number of births (due to a rising population in the fertile age cohorts) offsets the decline in net migration. Net migration slows because job growth slows.
- The median home selling price in Lake County was \$261,250. Between 1997 and 2002, the rate of price appreciation averaged 9 percent, adjusted for inflation. That rate is forecast to slow to an average of 4 percent per year between 2003 and 2008.



## Lake County Economic Forecast

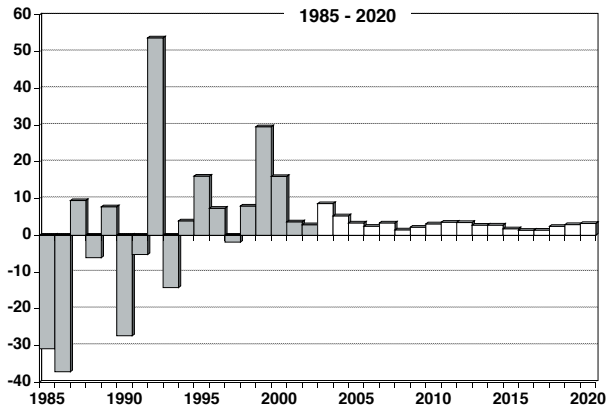
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	56,600	597	67.1	22.7	172	\$222.2	\$1,031.2	\$23,199	\$27.2	\$269.2
1996	56,600	171	68.0	22.8	103	\$229.7	\$1,087.4	\$23,911	\$48.4	\$289.0
1997	57,000	595	63.9	22.9	168	\$234.8	\$1,131.2	\$23,881	\$49.2	\$283.6
1998	56,900	69	66.1	23.0	84	\$247.3	\$1,202.3	\$24,641	\$41.6	\$306.2
1999	57,600	975	68.0	23.0	165	\$270.3	\$1,257.7	\$24,431	\$49.2	\$396.7
2000	58,600	1,037	72.1	23.9	187	\$291.9	\$1,352.8	\$24,725	\$53.6	\$460.3
2001	59,900	1,486	76.7	24.1	118	\$322.6	\$1,422.6	\$24,138	\$57.7	\$477.1
2002	61,100	1,399	78.7	24.1	313	\$319.7	\$1,542.0	\$25,238	\$59.0	\$490.9
2003	62,319	1,419	80.6	24.4	307	\$337.8	\$1,607.3	\$25,158	\$61.9	\$533.2
2004	63,378	1,242	81.5	24.7	272	\$359.0	\$1,705.4	\$25,535	\$65.9	\$561.4
2005	64,236	1,024	82.5	24.9	251	\$385.0	\$1,820.1	\$26,162	\$69.0	\$580.4
2006	65,116	1,033	83.5	25.1	253	\$413.7	\$1,934.7	\$26,701	\$72.1	\$594.6
2007	66,043	1,066	84.5	25.3	255	\$443.8	\$2,050.9	\$27,195	\$74.7	\$614.6
2008	66,823	900	85.6	25.5	231	\$477.5	\$2,181.8	\$27,864	\$77.9	\$623.6
2009	67,642	918	86.6	25.7	236	\$513.2	\$2,313.2	\$28,444	\$79.5	\$637.4
2010	68,578	1,019	87.6	25.9	251	\$550.8	\$2,441.5	\$28,806	\$82.0	\$657.2
2011	69,659	1,148	89.1	26.1	270	\$588.6	\$2,580.8	\$29,148	\$84.4	\$680.5
2012	70,796	1,191	90.0	26.3	278	\$626.2	\$2,726.9	\$29,455	\$86.3	\$704.2
2013	71,958	1,204	90.8	26.6	282	\$663.7	\$2,871.7	\$29,648	\$88.4	\$723.7
2014	73,133	1,201	91.6	26.8	283	\$701.1	\$3,031.8	\$29,968	\$90.7	\$743.8
2015	74,307	1,192	92.5	27.0	283	\$739.3	\$3,199.1	\$30,294	\$92.7	\$756.9
2016	75,580	1,285	93.4	27.3	297	\$779.7	\$3,384.6	\$30,646	\$95.3	\$767.3
2017	76,891	1,317	94.4	27.5	302	\$820.8	\$3,566.0	\$30,831	\$97.8	\$778.1
2018	78,306	1,423	95.5	27.8	316	\$862.6	\$3,768.5	\$31,113	\$101.6	\$797.0
2019	79,751	1,455	96.5	28.0	319	\$904.3	\$3,971.8	\$31,338	\$105.3	\$820.3
2020	81,196	1,456	97.5	28.3	321	\$945.7	\$4,179.5	\$31,557	\$107.8	\$846.6



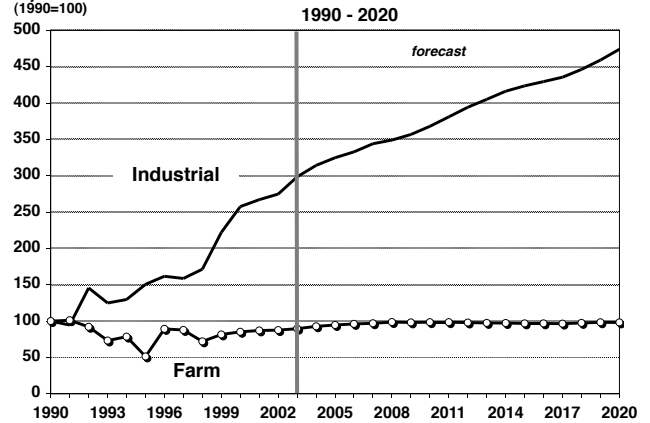
average annual  
percent change

### Real Industrial Production



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

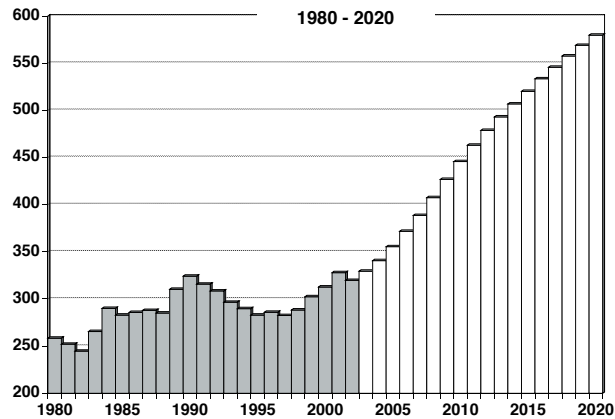


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
12,899	918	722	458	418	3,129	589	3,307	3,358
12,830	858	652	452	453	3,145	499	3,343	3,428
12,905	1,012	542	447	485	3,041	563	3,301	3,515
13,297	966	613	458	598	2,989	559	3,682	3,432
13,879	948	684	508	538	3,115	510	4,029	3,548
13,733	930	720	517	556	3,145	503	3,653	3,708
14,242	920	790	470	589	3,250	493	3,660	4,070
14,720	960	770	440	720	3,300	510	4,030	3,990
15,122	941	839	437	763	3,382	515	4,078	4,168
15,545	930	870	459	783	3,439	524	4,202	4,338
15,932	923	873	463	796	3,482	536	4,358	4,503
16,325	919	865	467	813	3,522	554	4,529	4,658
16,714	915	861	472	828	3,563	577	4,695	4,804
17,098	913	859	475	842	3,609	603	4,861	4,935
17,484	913	849	478	856	3,663	632	5,034	5,059
17,867	912	845	479	872	3,716	662	5,212	5,168
18,249	912	849	480	888	3,764	696	5,385	5,273
18,621	913	858	482	903	3,813	730	5,554	5,369
18,974	914	866	484	914	3,865	764	5,709	5,458
19,316	914	872	488	924	3,913	794	5,861	5,549
19,665	914	876	492	935	3,957	823	6,024	5,644
20,033	913	878	497	946	3,999	853	6,203	5,745
20,412	912	884	501	957	4,037	882	6,385	5,854
20,817	910	889	504	972	4,075	913	6,582	5,972
21,222	908	897	507	989	4,107	944	6,774	6,095
21,620	908	904	512	1,003	4,138	974	6,962	6,219

millions of  
2002 dollars

### Real Taxable Retail Sales

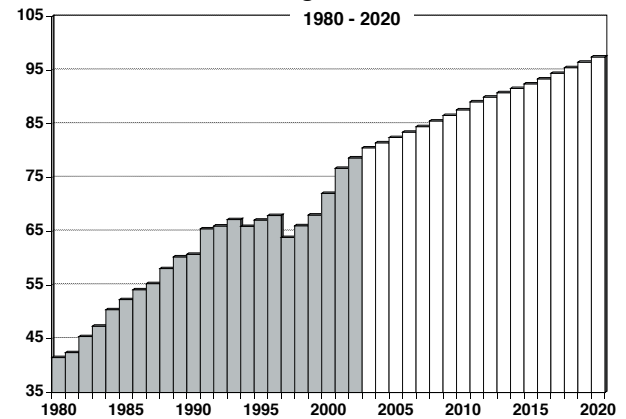
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

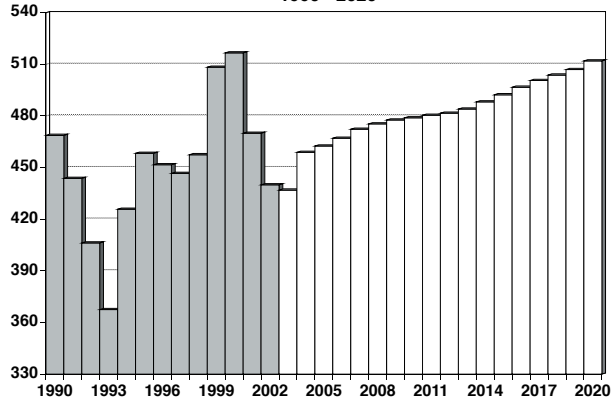
1980 - 2020



jobs

### Employment in Manufacturing

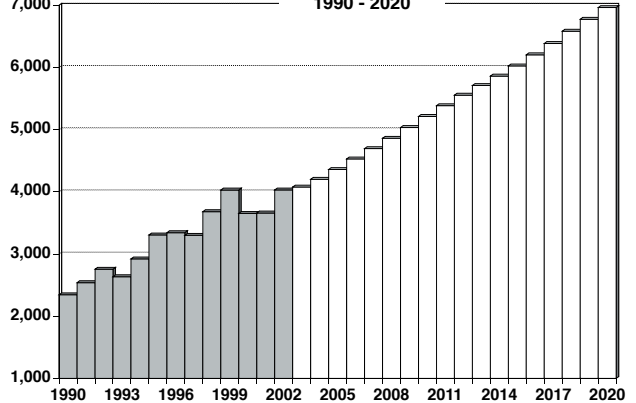
1990 - 2020



jobs

### Employment in Services

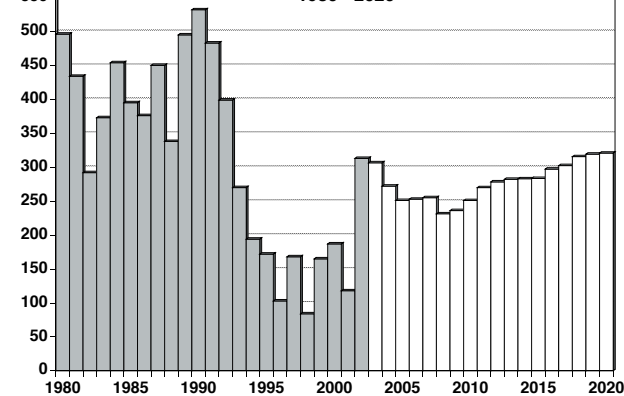
1990 - 2020



units  
permitted

### New Residential Units

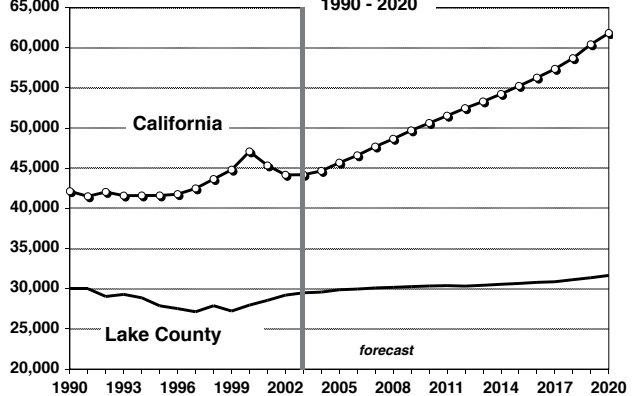
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Lake County and California

1990 - 2020



# Lassen County Economic Forecast

Primarily a mountainous region, Lassen County is located on the eastern slopes of the Sierra Nevada Mountains. The county is home to a wide variety of landmarks and attractions including Lassen National Forest, which covers over one million acres, and Lassen Volcanic National Park, the site of an active volcano.

In 2003, Lassen County's population was estimated at 34,950, an increase over the 2000 Census of only 3.3 percent. The largest urban area and major crossroad for the region is the city of Susanville with a population of 17,900. Susanville, the only municipality in the county, serves as the commercial center for the region and offers a wide variety of retail and business services. The population of Lassen County is projected to eclipse 38,000 by the year 2010, an increase of nearly 9 percent from 2003.

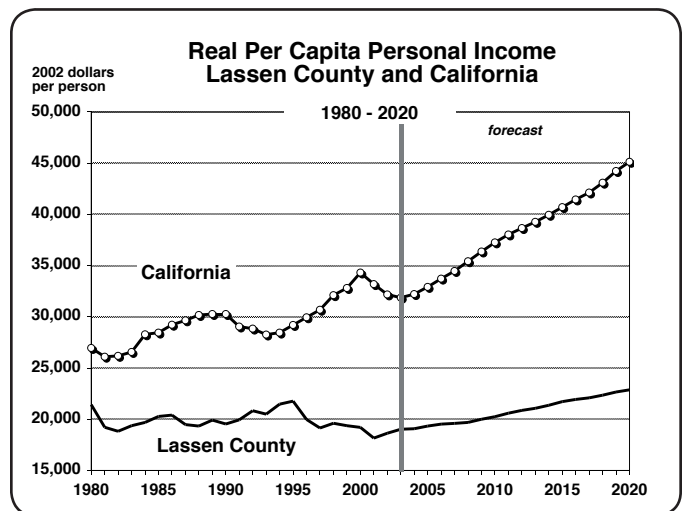
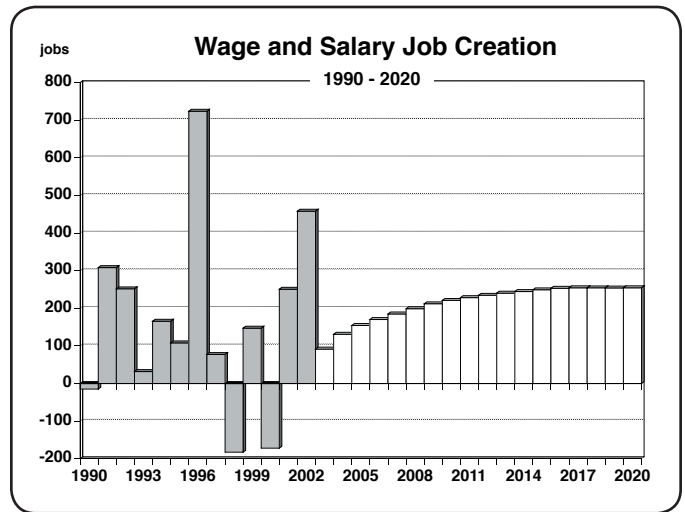
Lassen County's unemployment rate has been steadily declining over the last several years. During 2002, the rate averaged 6.6 percent, the same as the state's annual average unemployment rate for the same year. The unemployment rate is forecast to remain under 7 percent for the remainder of the decade.

Government, the largest industry in Lassen County, accounts for 53 percent of total employment with most of the current jobs in state and local government. Government employment is expected to increase, as the Federal Bureau of Prisons is planning to construct and operate a new facility in the area of Herlong. The prison will be completed in 2004.

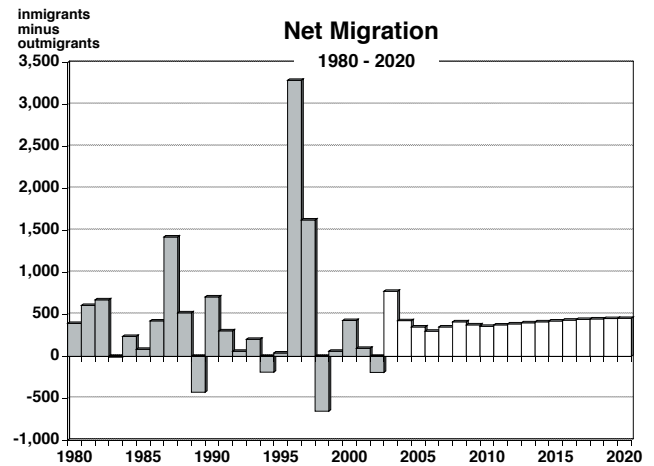
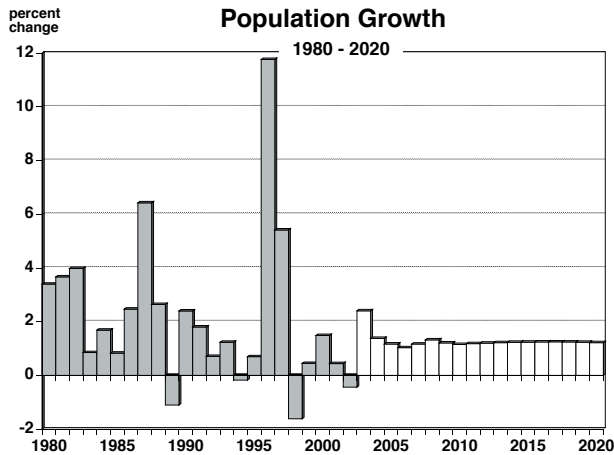
Other significant industries in Lassen County are retail trade which accounts for 16 percent of total employment, and services, which make up 13 percent of the total. Employment in trade and services is forecast to increase slightly over the next 5 years. Most of the employment gain will occur in the public sector, with a projected 600 job increase between 2003 and 2008.

## Forecast Highlights

- Non-farm job growth is forecast to rise 1.6 percent per year over the next 5 years. The principal sectors of growth occur in government. Services and manufacturing also add a few new jobs over the 2003 to 2008 period. An average of 155 jobs per year are created between 2003 and 2008.



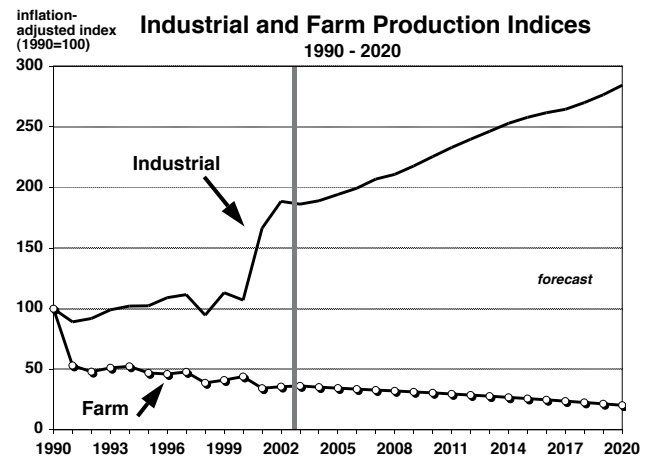
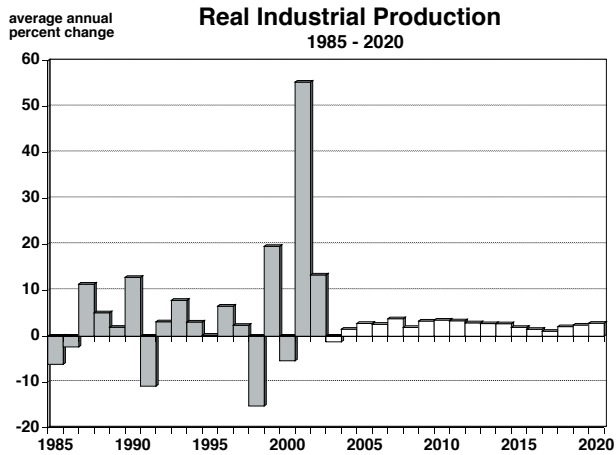
- Inflation-adjusted per-capita income is forecast to rise at the rate of 0.7 percent per year over the next 5 years. In 2002, the average per capita income was \$18,635 per person. By 2008, the level is forecast to be \$19,700.
- Due to an increase in fertility, and continued positive net-migration, the growth in population averages 0.9 percent per year over the next 5 years. The number of new in-migrants is forecast to average 269 persons per year.
- An average of 94 new residential units are forecast each year from 2003 to 2008. This compares with an average of 97 units built between 1997 and 2002 in Lassen County.



## Lassen County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	28,900	40	29.1	9.1	159	\$122.9	\$494.1	\$21,771	\$47.3	\$165.4
1996	32,300	3,288	30.2	9.3	121	\$127.8	\$518.4	\$19,978	\$47.4	\$176.2
1997	34,050	1,625	28.3	9.3	84	\$122.8	\$541.6	\$19,140	\$50.9	\$180.4
1998	33,500	-654	29.2	9.5	83	\$121.6	\$563.3	\$19,608	\$42.6	\$152.9
1999	33,650	61	29.9	9.6	116	\$130.6	\$582.6	\$19,370	\$47.1	\$182.8
2000	34,150	427	31.1	9.6	107	\$140.8	\$612.3	\$19,204	\$52.7	\$173.0
2001	34,300	95	32.8	9.7	95	\$138.7	\$612.7	\$18,153	\$43.3	\$268.8
2002	34,150	-191	33.8	9.8	97	\$146.5	\$636.4	\$18,635	\$45.8	\$304.6
2003	34,971	775	35.0	9.8	98	\$152.4	\$682.2	\$19,028	\$47.6	\$300.9
2004	35,454	425	36.3	9.9	92	\$159.2	\$712.4	\$19,068	\$47.6	\$305.5
2005	35,869	350	37.5	10.0	93	\$167.3	\$751.1	\$19,334	\$47.8	\$314.0
2006	36,239	300	38.7	10.0	94	\$175.8	\$787.3	\$19,524	\$48.0	\$322.1
2007	36,662	350	39.9	10.1	94	\$185.3	\$820.3	\$19,595	\$48.1	\$334.3
2008	37,147	411	41.0	10.2	95	\$195.8	\$856.9	\$19,686	\$48.2	\$340.7
2009	37,598	375	42.2	10.3	95	\$207.1	\$904.2	\$20,001	\$48.2	\$351.9
2010	38,031	358	43.3	10.3	95	\$219.8	\$951.5	\$20,244	\$48.3	\$364.3
2011	38,481	374	44.4	10.4	95	\$233.0	\$1,007.2	\$20,591	\$48.3	\$376.5
2012	38,943	386	45.5	10.5	95	\$246.3	\$1,062.8	\$20,869	\$48.2	\$387.4
2013	39,418	399	46.6	10.5	95	\$260.0	\$1,117.9	\$21,068	\$48.0	\$398.1
2014	39,904	411	47.7	10.6	95	\$273.8	\$1,179.5	\$21,368	\$47.6	\$408.8
2015	40,399	421	48.7	10.7	95	\$287.8	\$1,246.7	\$21,716	\$47.1	\$416.7
2016	40,902	432	49.8	10.8	95	\$302.4	\$1,310.8	\$21,931	\$46.5	\$422.9
2017	41,413	440	50.8	10.8	96	\$317.1	\$1,376.1	\$22,090	\$45.8	\$427.5
2018	41,928	446	51.8	10.9	96	\$332.6	\$1,449.8	\$22,354	\$44.9	\$436.3
2019	42,445	450	52.8	11.0	96	\$348.7	\$1,528.2	\$22,654	\$43.7	\$446.9
2020	42,963	452	53.8	11.0	96	\$364.6	\$1,602.6	\$22,868	\$42.4	\$459.5

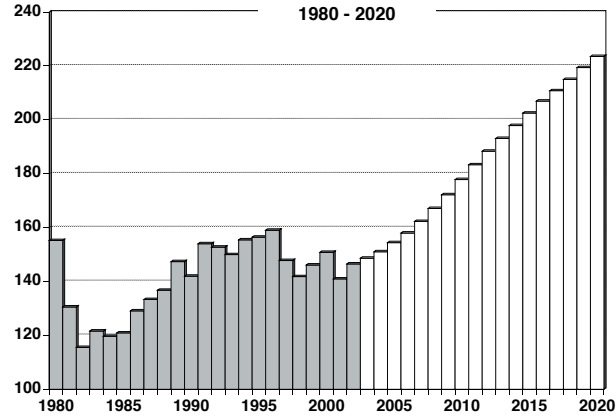


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
8,996	301	332	556	284	1,673	179	1,178	4,493
9,720	271	320	508	294	1,655	193	1,299	5,181
9,798	221	296	490	300	1,648	213	1,301	5,330
9,615	234	233	517	274	1,632	182	1,276	5,268
9,763	317	240	532	251	1,643	170	1,250	5,361
9,591	240	178	529	249	1,663	160	1,219	5,352
9,842	280	440	472	240	1,610	170	1,250	5,380
10,300	410	530	450	250	1,660	170	1,320	5,510
10,392	264	502	467	261	1,662	172	1,337	5,726
10,523	264	495	483	266	1,672	171	1,349	5,823
10,678	263	493	497	268	1,689	171	1,360	5,938
10,848	263	493	508	268	1,713	171	1,370	6,062
11,033	263	496	517	267	1,745	171	1,381	6,194
11,232	263	502	525	267	1,783	171	1,392	6,330
11,445	262	508	531	266	1,828	171	1,403	6,475
11,666	262	514	536	266	1,878	171	1,416	6,623
11,894	262	520	540	265	1,931	171	1,429	6,776
12,129	262	527	543	264	1,986	171	1,442	6,935
12,370	261	533	545	263	2,041	171	1,456	7,098
12,615	261	539	548	263	2,097	171	1,470	7,266
12,864	261	546	550	262	2,151	171	1,484	7,439
13,117	260	552	552	262	2,204	171	1,499	7,617
13,372	260	558	553	261	2,255	171	1,514	7,799
13,627	260	564	555	260	2,305	171	1,529	7,982
13,881	260	570	556	260	2,354	171	1,544	8,167
14,136	259	576	557	259	2,401	171	1,560	8,353

millions of  
2002 dollars

### Real Taxable Retail Sales

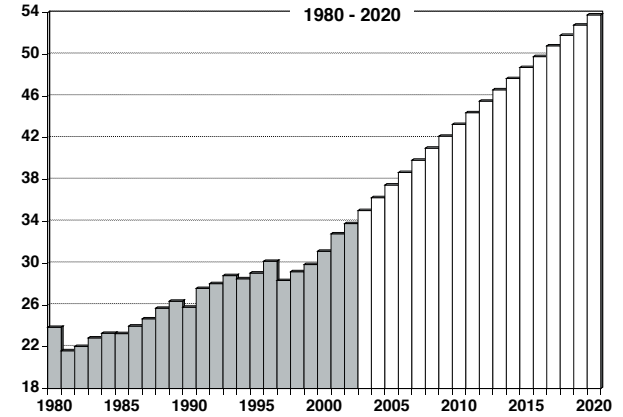
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

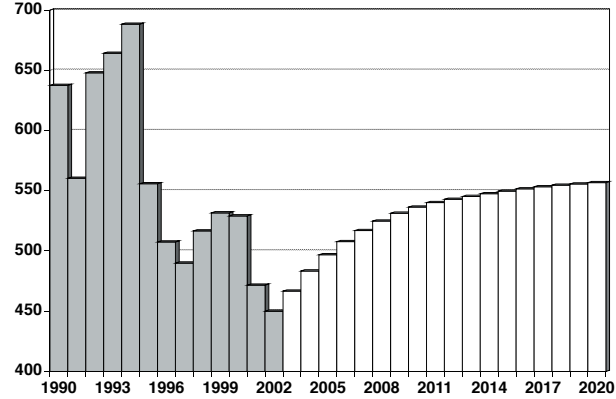
1980 - 2020



jobs

### Employment in Manufacturing

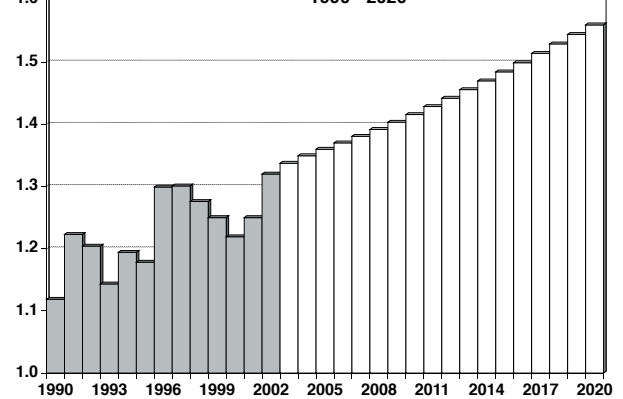
1990 - 2020



thousands of  
jobs

### Employment in Services

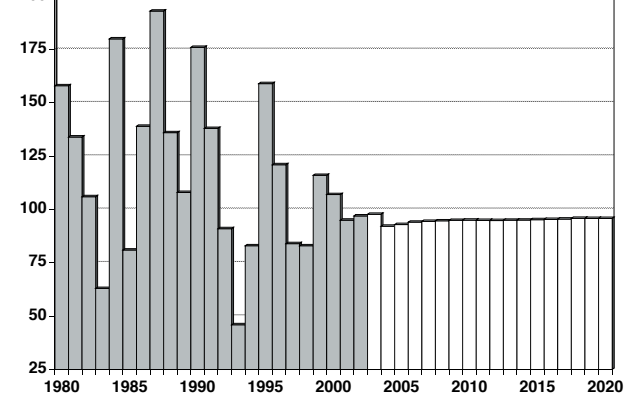
1990 - 2020



units  
permitted

### New Residential Units

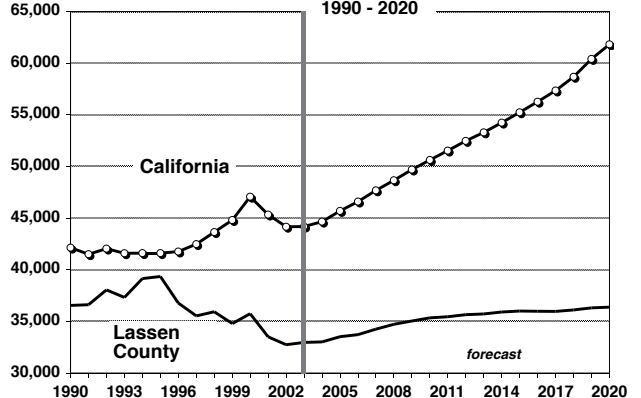
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Lassen County and California

1990 - 2020



# Los Angeles County Economic Forecast

Los Angeles County is the largest county-level economy in California, with nearly 10 million people, and 4 million wage and salary jobs. Employment in the services such as healthcare, retail trade, and professional services remain strong. However, employment growth in the export sectors—manufacturing, motion picture production, and wholesale trade—remains weak.

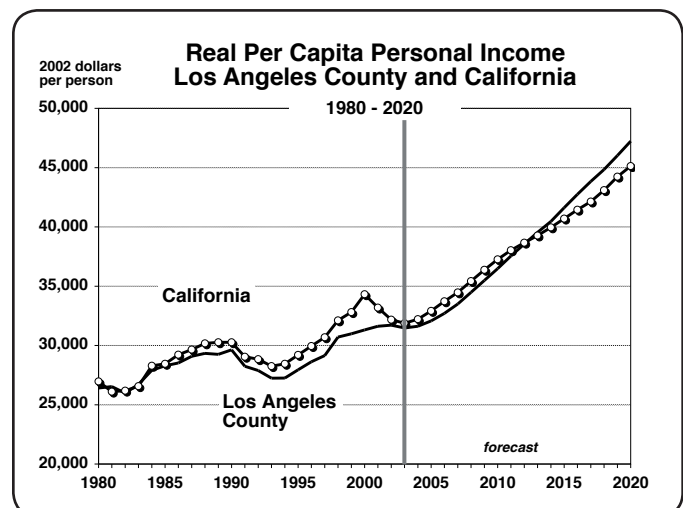
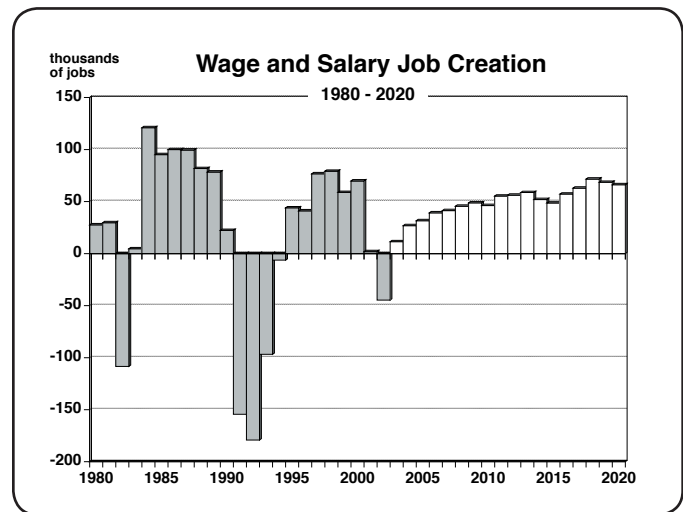
Economic growth in Southern California in general was impressive in 2002, compared to the Northern half of the state. Total non-farm employment growth in Los Angeles County went negative during the second half of the year, but not by much. The unemployment rate rose to 6.7 percent last year, though it has fallen in 2003.

The larger problem in Los Angeles County is the ongoing lack of new housing production. The current rate of population growth substantially exceeds the creation of new units. This is putting upward pressure on housing prices that are hurting those at the bottom end of the income distribution. This situation is also creating significant outflow of jobs from Los Angeles County into the Inland Empire counties of Riverside and San Bernardino.

Runaway film production in Canada and Australia has impacted employment in the motion picture industry, and manufacturing has been consolidating since 1998. The service sector has generally expanded however, and that will remain the driver of new employment opportunities in Los Angeles County over the long run.

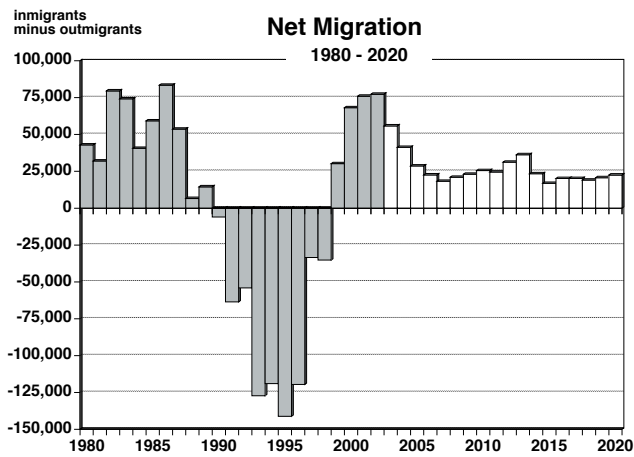
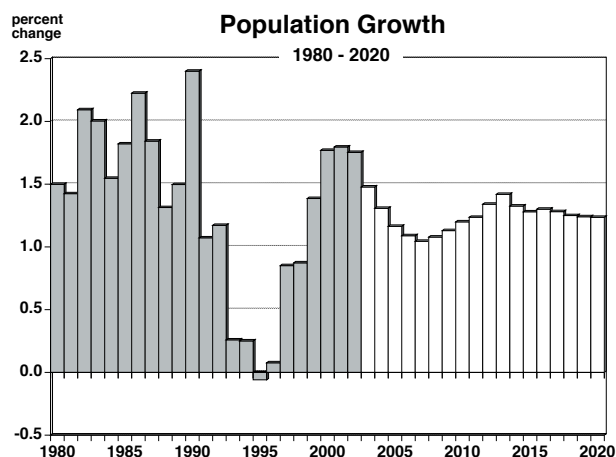
## Forecast Highlights

- Job growth is expected to turn positive in 2003, but just barely. Job growth will accelerate to 1.0 percent in 2004. Between 2003 and 2008, the average annual growth rate is 0.9 percent per year, compared to 1.2 percent per year between 1997 and 2002.
- Average salaries adjusted for inflation rise an average of 1 percent per year over the next 5 years. The growth of higher paying job creation will slow in Los Angeles County, relative to other areas of Southern California. A number of industries which traditionally have been high paying are shrinking, such as the technology sector and the film making industry.
- The services sector remains the growth engine of jobs in Los Angeles County. Employment growth in services



averages 2.0 percent per year over the next 5 years, compared to 1.4 percent growth between 1997 and 2002. Business services, personal services, and recreation services will lead this sector in job creation.

- Population growth increases, due principally to the increase in births over the next 5 years. Annual growth in the 2003 to 2008 period averages 1.1 percent per year. This represents a slowdown from the 1.5 percent average annual growth that prevailed between 1997 and 2002.
- Net migration falls off in 2003 to 45,000 persons. Migration continues to shrink over the forecast period, due in large part to the lack of job creation in the county.



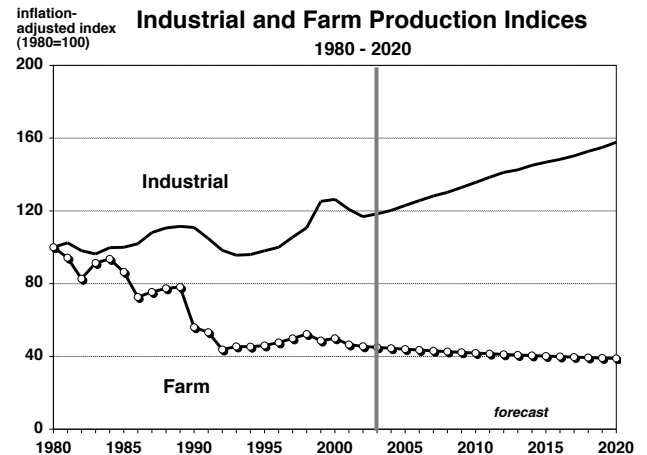
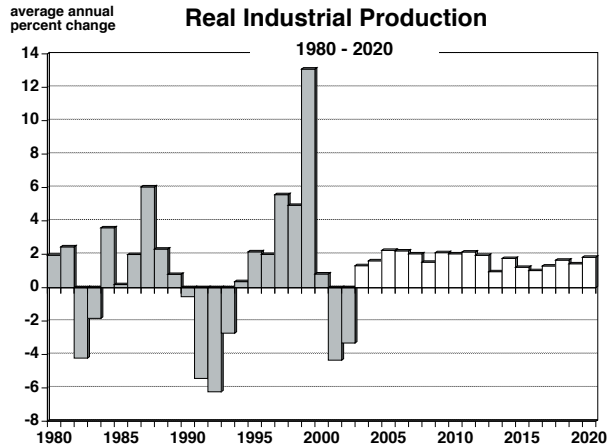
## Los Angeles County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

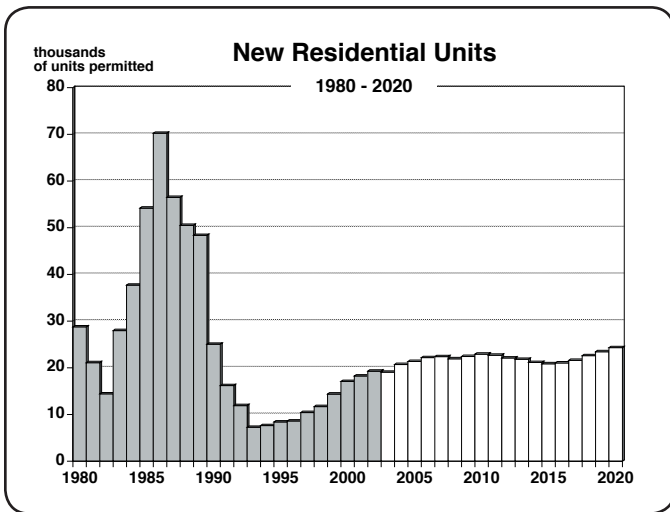
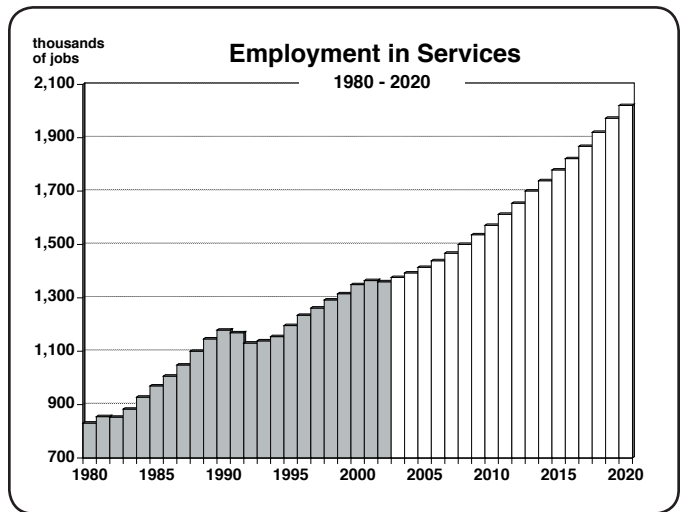
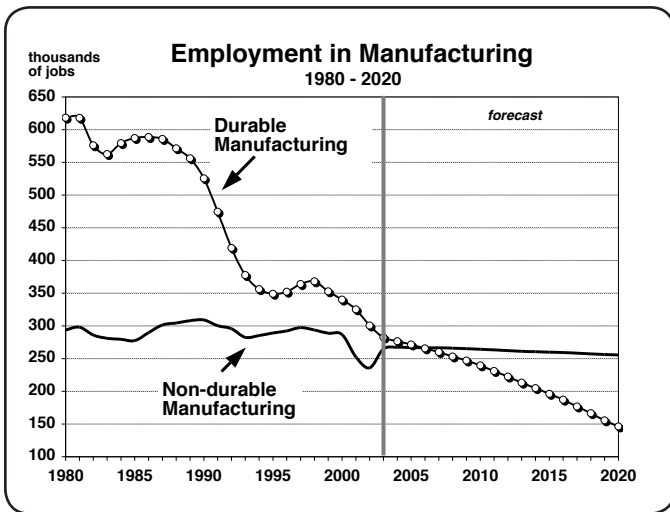
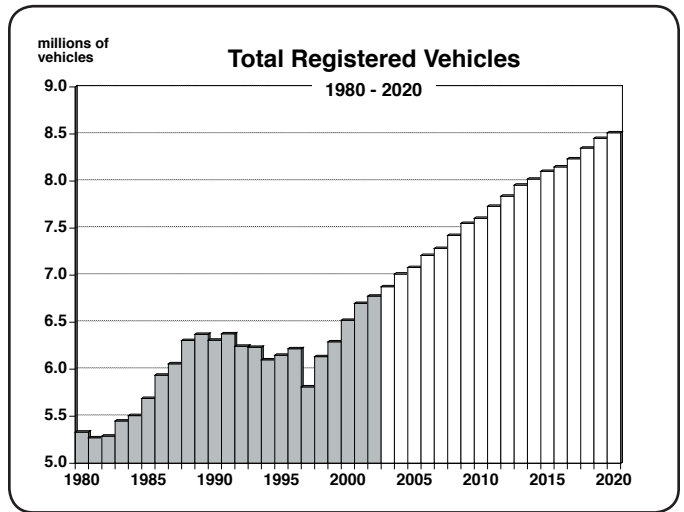
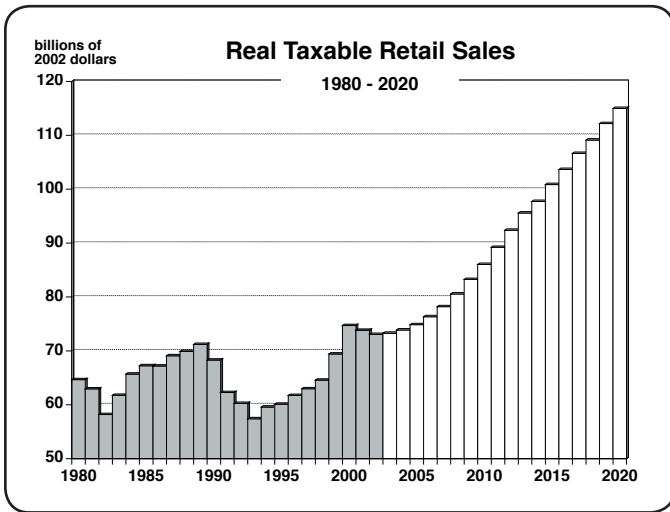
	July Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	9,101,100	-141,185	6.1	3,057	8,405	\$51.0	\$215.9	\$27,948	\$223	\$88
1996	9,108,100	-119,545	6.2	3,061	8,607	\$53.3	\$225.1	\$28,625	\$235	\$90
1997	9,185,600	-33,427	5.8	3,067	10,424	\$55.3	\$235.1	\$29,149	\$250	\$95
1998	9,265,800	-35,204	6.1	3,075	11,692	\$57.5	\$253.4	\$30,712	\$265	\$99
1999	9,394,200	30,226	6.3	3,082	14,383	\$63.3	\$265.3	\$30,986	\$253	\$112
2000	9,560,400	68,162	6.5	3,132	17,071	\$70.3	\$281.8	\$31,313	\$268	\$113
2001	9,732,100	75,948	6.7	3,142	18,248	\$71.8	\$299.4	\$31,617	\$258	\$108
2002	9,902,700	77,255	6.8	3,155	19,271	\$73.1	\$314.0	\$31,709	\$260	\$105
2003	10,049,025	55,827	6.9	3,169	19,050	\$74.9	\$323.5	\$31,478	\$262	\$106
2004	10,180,406	41,247	7.0	3,184	20,707	\$77.4	\$337.4	\$31,622	\$266	\$108
2005	10,298,874	28,656	7.1	3,201	21,356	\$80.4	\$354.7	\$32,072	\$269	\$110
2006	10,411,041	22,571	7.2	3,218	22,174	\$83.9	\$374.5	\$32,707	\$273	\$113
2007	10,519,791	18,272	7.3	3,236	22,384	\$88.0	\$396.4	\$33,498	\$276	\$115
2008	10,633,272	20,979	7.4	3,254	21,931	\$92.7	\$421.8	\$34,478	\$280	\$117
2009	10,753,440	23,026	7.6	3,272	22,423	\$98.0	\$449.0	\$35,487	\$284	\$119
2010	10,882,449	25,520	7.6	3,290	22,917	\$103.8	\$478.7	\$36,484	\$288	\$122
2011	11,016,937	24,513	7.7	3,308	22,685	\$110.3	\$511.4	\$37,549	\$293	\$124
2012	11,164,595	31,224	7.8	3,326	22,097	\$117.1	\$545.7	\$38,555	\$297	\$127
2013	11,322,966	36,271	8.0	3,344	21,807	\$124.3	\$582.5	\$39,540	\$303	\$128
2014	11,473,037	23,391	8.0	3,362	21,135	\$130.2	\$618.7	\$40,466	\$308	\$130
2015	11,619,818	16,861	8.1	3,379	20,864	\$137.7	\$660.1	\$41,625	\$313	\$132
2016	11,770,890	20,131	8.2	3,396	21,051	\$145.0	\$703.9	\$42,748	\$318	\$133
2017	11,921,683	20,174	8.2	3,413	21,590	\$153.1	\$750.2	\$43,836	\$324	\$135
2018	12,070,652	19,108	8.4	3,430	22,598	\$160.6	\$796.5	\$44,844	\$330	\$137
2019	12,220,394	20,681	8.5	3,448	23,441	\$169.1	\$847.5	\$46,022	\$336	\$139
2020	12,371,365	22,520	8.5	3,467	24,312	\$177.3	\$900.8	\$47,231	\$342	\$142

- Real per capita incomes remain stable in 2003 and 2004, and then increase at faster rates thereafter. An annual compound rate of growth of 1.7 percent over the next 5 years is forecast. Between 1997 and 2002, real per capita personal income increased an average of 1.5 percent per year.
- The median home price in the county was nearly \$285,000 in 2002. Prices for housing will continue to rise an average of 4 percent per year, adjusted for inflation, over the next 5 years.





Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
3,755	8.0	109.8	5.9	638.4	202.6	835.8	222.1	1,196.2	535.7
3,796	7.2	107.5	5.7	644.7	204.7	840.7	217.2	1,234.9	533.0
3,872	7.0	109.5	5.5	661.4	211.9	858.6	220.2	1,261.9	536.3
3,951	7.7	118.4	4.9	661.7	225.2	871.9	228.4	1,292.2	541.0
4,010	7.3	125.8	4.3	641.6	234.7	887.8	231.6	1,315.5	561.6
4,080	7.7	130.9	4.0	627.0	244.1	905.3	230.0	1,349.7	581.3
4,082	8.3	136.8	3.8	577.9	249.0	906.4	228.9	1,364.8	605.9
4,037	8.7	134.9	3.6	536.4	247.7	905.5	231.2	1,360.5	608.9
4,049	8.3	131.7	3.6	547.3	241.3	890.2	234.2	1,376.4	615.6
4,076	8.1	132.0	3.7	543.8	239.5	892.5	236.0	1,393.4	626.6
4,107	7.9	132.2	3.7	538.5	239.8	895.6	237.6	1,414.2	637.6
4,146	7.7	133.1	3.7	532.2	242.3	901.2	238.9	1,439.2	647.9
4,188	7.6	133.9	3.6	526.5	245.3	904.4	240.0	1,467.4	658.9
4,233	7.5	134.7	3.6	519.0	248.2	909.3	241.0	1,500.3	669.4
4,282	7.4	134.9	3.5	512.2	251.5	916.0	241.7	1,536.5	678.1
4,328	7.4	135.0	3.4	503.8	255.2	924.0	242.3	1,571.6	685.2
4,383	7.3	134.8	3.3	494.3	259.1	936.5	243.0	1,613.2	691.8
4,439	7.3	134.9	3.2	484.7	262.7	950.4	243.5	1,654.5	698.2
4,498	7.2	135.1	3.1	474.5	265.7	963.5	243.8	1,700.4	704.8
4,550	7.2	135.4	3.0	465.4	267.9	977.0	243.7	1,739.0	711.6
4,599	7.1	135.5	2.9	455.9	270.1	985.7	243.3	1,779.4	718.8
4,656	7.1	135.5	2.8	446.5	272.5	1,000.5	243.0	1,821.6	726.4
4,719	7.0	135.7	2.6	435.2	275.1	1,018.3	242.9	1,867.6	734.4
4,790	7.0	136.0	2.4	423.9	278.2	1,036.7	243.0	1,920.4	742.8
4,859	7.0	136.3	2.2	411.9	282.0	1,051.2	243.4	1,973.1	751.7
4,925	6.9	136.5	2.2	402.0	285.3	1,065.9	244.1	2,020.7	761.3



# Madera County Economic Forecast

Most of the industrial and residential activity in Madera County is positioned along Highway 99, the area's primary transportation route, which provides a north-south corridor through the county. The 2000 Census data recorded Madera County's population at 123,100, an increase over the 1990 Census of almost 40 percent or 35,000 residents, making it the third fastest growing county in the state.

## Population • January 2003

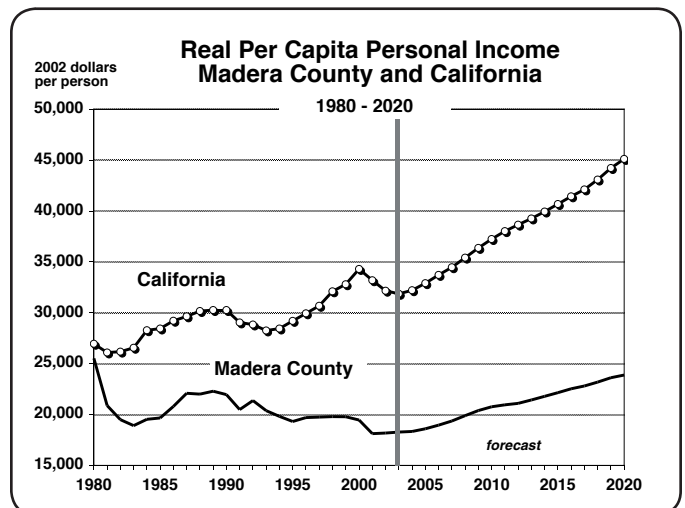
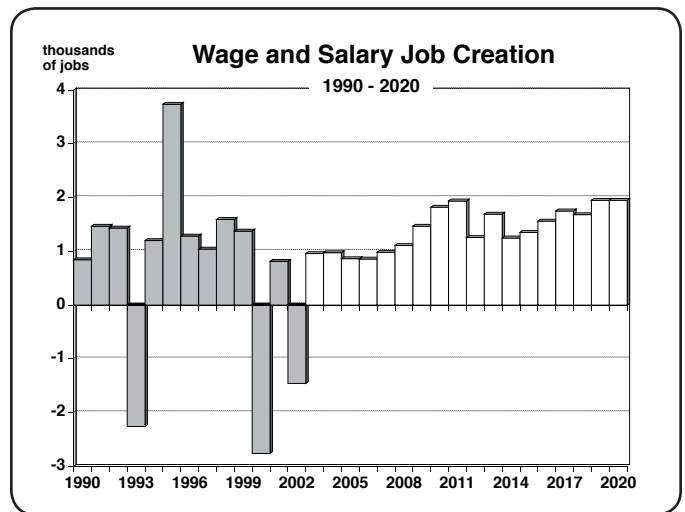
City	Population	2002-2003 % change
Madera	47,000	1.3
Chowchilla	14,350	1.8
<b>Total County</b>	<b>131,200</b>	<b>0.6</b>

Agriculture and food processing companies make up a large share of the county's economy. Agriculture is the second largest industry in the county, and accounted for 21 percent of all 2002 employment in Madera County. Services is the largest industry in the county, contributing 22 percent of total wage and salary employment. The healthcare sector accounts for much of the service sector growth.

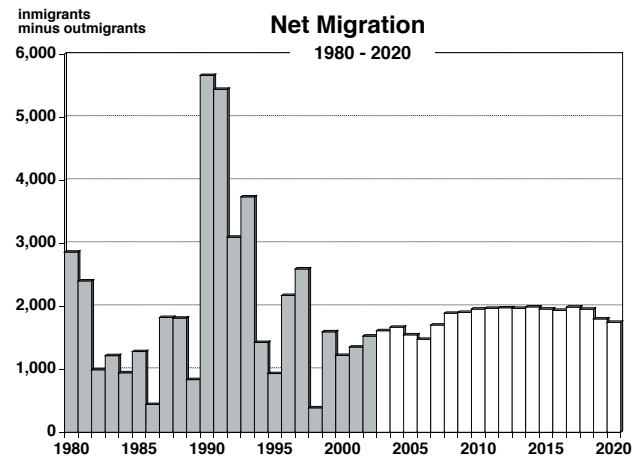
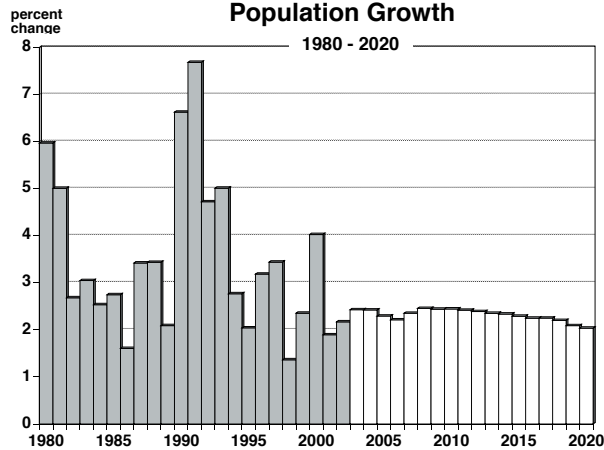
Retail trade, services, and manufacturing will provide most of the jobs in the county over the next 5 years. With its economy becoming more diversified, more non-farm industrial growth in Madera County is expected, as well as increased population growth.

## Forecast Highlights

- Non-farm job growth is forecast to accelerate over the next 5 years, averaging 3.4 percent per year. Jobs in farming are forecast to decline, at the rate of one percent per year between 2003 and 2008.
- The unemployment rate rises falls continuously throughout the forecast period, from 14 percent in 2002 to 13.2 percent in 2008
- Both average salaries and per capita income, adjusted for inflation, rise over the forecast period. This is a reversal of the trend in place during the 1990s when average salaries and incomes declined. More non-farm jobs paying higher salaries boost the average salary and per capita income in Madera County.



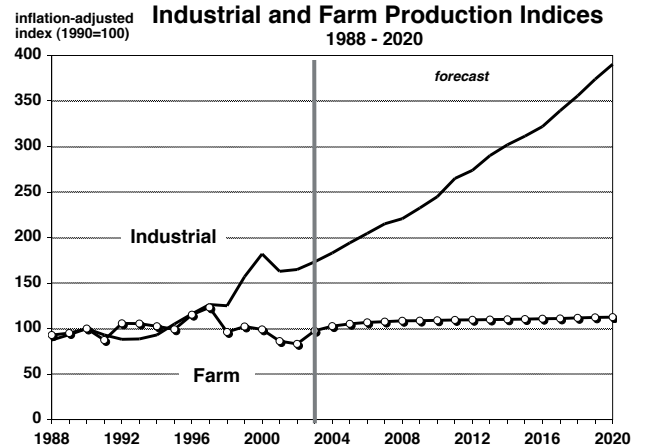
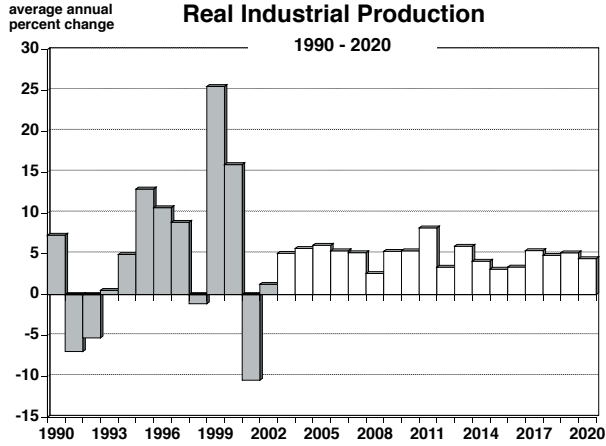
- Population growth is forecast to average 2.6 percent per year, 2003 to 2008. This rate of growth is hardly different from the 2.4 percent growth per year that the county averaged between 1997 and 2002. More net migration during the decade is responsible for higher population growth.
- New residential units is forecast to average 760 per year for the next 5 years. More housing accommodates the increase in population from net migration. Home prices rise marginally but still remain quite affordable.



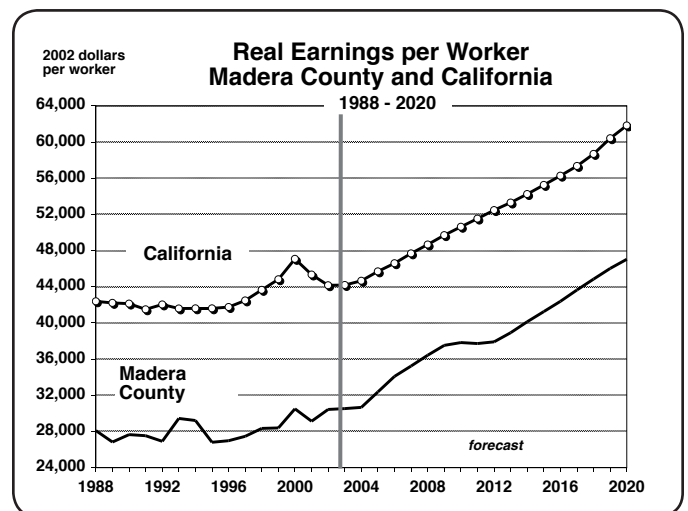
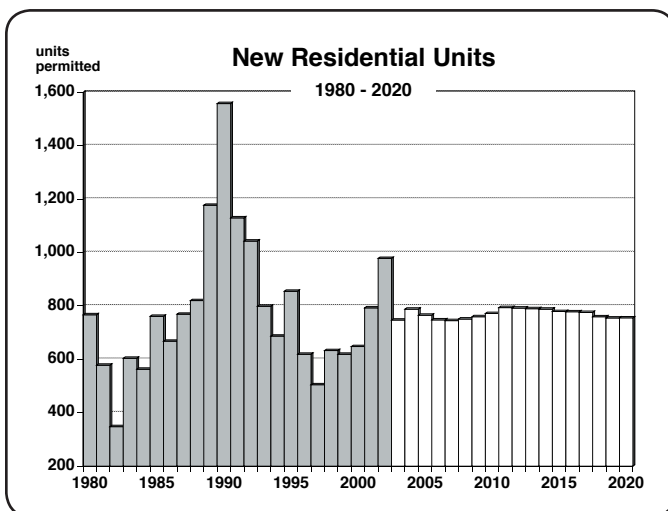
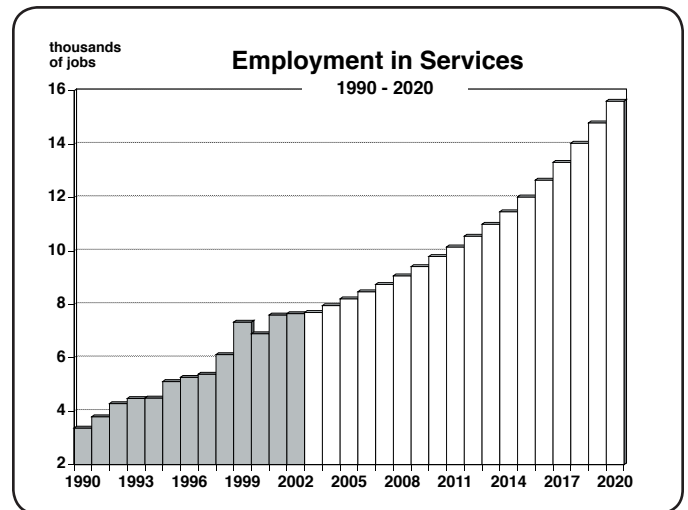
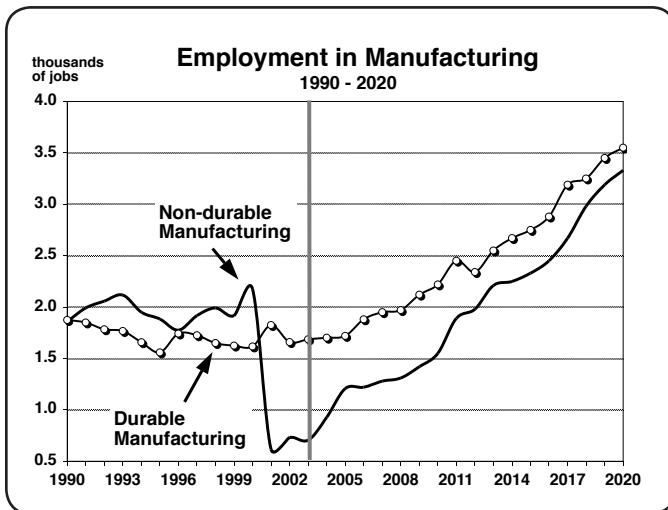
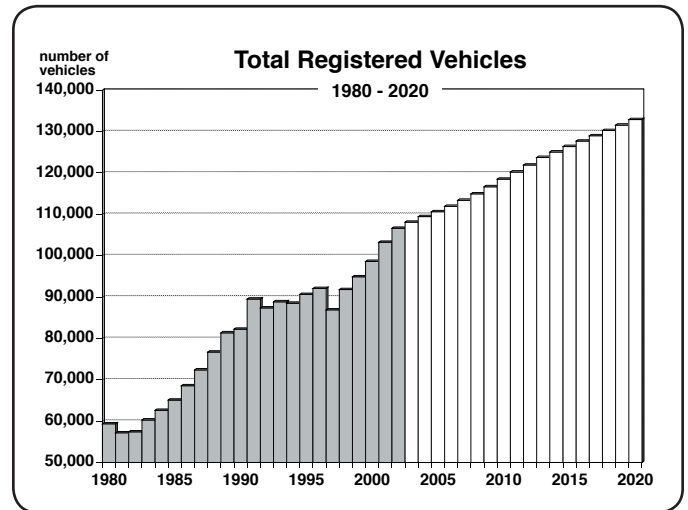
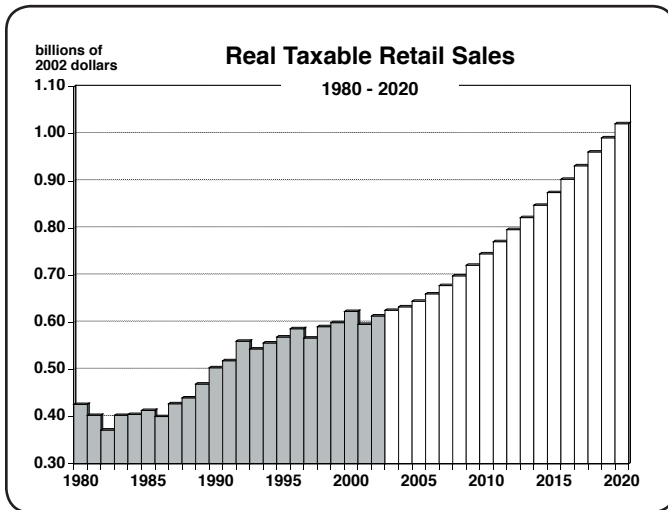
## Madera County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	109,900	931	90,637	33.5	855	\$0.4	\$1.7	\$19,315	\$598.6	\$0.7
1996	113,400	2,171	92,082	34.2	619	\$0.5	\$1.8	\$19,699	\$712.1	\$0.8
1997	117,300	2,591	86,910	34.9	505	\$0.5	\$1.9	\$19,742	\$787.3	\$0.9
1998	118,900	388	91,815	35.5	633	\$0.5	\$2.0	\$19,799	\$634.3	\$0.9
1999	121,700	1,594	94,901	35.9	619	\$0.5	\$2.2	\$19,781	\$702.4	\$1.1
2000	126,600	1,220	98,612	36.0	648	\$0.6	\$2.3	\$19,460	\$711.4	\$1.2
2001	129,000	1,352	103,239	36.6	793	\$0.6	\$2.3	\$18,119	\$651.8	\$1.1
2002	131,800	1,526	106,638	37.2	978	\$0.6	\$2.4	\$18,176	\$639.3	\$1.1
2003	135,000	1,611	108,090	37.5	747	\$0.6	\$2.5	\$18,272	\$768.6	\$1.2
2004	138,271	1,666	109,455	38.3	788	\$0.7	\$2.7	\$18,330	\$831.9	\$1.2
2005	141,443	1,545	110,633	39.1	765	\$0.7	\$2.9	\$18,603	\$876.1	\$1.3
2006	144,574	1,475	111,939	39.9	748	\$0.7	\$3.1	\$18,956	\$913.4	\$1.4
2007	147,976	1,701	113,403	40.6	745	\$0.8	\$3.3	\$19,370	\$945.2	\$1.5
2008	151,611	1,888	114,956	41.4	751	\$0.8	\$3.5	\$19,891	\$977.6	\$1.5
2009	155,310	1,903	116,669	42.2	760	\$0.9	\$3.8	\$20,398	\$1,004.8	\$1.6
2010	159,106	1,955	118,499	42.9	772	\$0.9	\$4.1	\$20,769	\$1,036.9	\$1.7
2011	162,952	1,967	120,230	43.7	794	\$1.0	\$4.3	\$20,956	\$1,069.8	\$1.8
2012	166,845	1,975	121,907	44.5	792	\$1.0	\$4.6	\$21,100	\$1,102.4	\$1.9
2013	170,769	1,966	123,759	45.3	790	\$1.1	\$4.9	\$21,431	\$1,137.1	\$2.0
2014	174,758	1,988	125,073	46.2	788	\$1.2	\$5.3	\$21,788	\$1,171.8	\$2.1
2015	178,758	1,955	126,401	47.0	779	\$1.2	\$5.6	\$22,145	\$1,206.5	\$2.1
2016	182,778	1,935	127,698	47.8	778	\$1.3	\$6.0	\$22,535	\$1,244.7	\$2.2
2017	186,890	1,985	128,994	48.6	776	\$1.4	\$6.4	\$22,806	\$1,284.5	\$2.3
2018	191,003	1,953	130,273	49.3	760	\$1.5	\$6.9	\$23,185	\$1,328.4	\$2.4
2019	194,993	1,797	131,575	50.1	755	\$1.6	\$7.3	\$23,617	\$1,371.4	\$2.5
2020	198,965	1,744	132,912	50.9	755	\$1.7	\$7.8	\$23,887	\$1,411.1	\$2.7



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
33.4	10.1	1.2	3.4	1.0	6.0	0.5	5.1	6.1
34.7	10.8	1.2	3.5	1.0	5.8	0.5	5.3	6.6
35.8	11.3	1.2	3.6	1.1	5.7	0.5	5.4	7.0
37.4	11.9	1.2	3.6	1.1	5.7	0.5	6.1	7.2
38.7	12.0	1.4	3.5	1.1	5.6	0.5	7.3	7.3
36.0	8.6	1.6	3.8	1.0	5.9	0.5	6.9	7.6
36.8	9.5	1.6	2.4	1.1	6.4	0.6	7.6	7.7
35.3	7.4	1.6	2.4	1.1	6.7	0.6	7.7	7.9
36.3	6.8	1.7	2.4	1.1	7.2	0.6	7.7	8.8
37.3	6.8	1.7	2.6	1.2	7.3	0.6	8.0	9.0
38.1	6.7	1.8	2.9	1.2	7.5	0.6	8.2	9.3
39.0	6.6	1.8	3.1	1.3	7.6	0.6	8.5	9.6
40.0	6.6	1.8	3.2	1.3	7.8	0.6	8.8	9.8
41.0	6.8	1.8	3.3	1.4	8.0	0.7	9.1	10.1
42.5	7.0	1.8	3.5	1.4	8.2	0.7	9.4	10.5
44.4	7.6	1.8	3.8	1.5	8.4	0.7	9.8	10.8
46.3	8.0	1.8	4.3	1.6	8.6	0.7	10.2	11.1
47.6	8.3	1.9	4.3	1.6	8.8	0.8	10.6	11.4
49.2	8.4	1.9	4.8	1.7	9.0	0.8	11.0	11.7
50.5	8.4	1.9	4.9	1.8	9.3	0.8	11.5	12.0
51.8	8.4	1.9	5.1	1.8	9.5	0.9	12.0	12.3
53.4	8.4	1.9	5.3	1.9	9.7	0.9	12.7	12.6
55.2	8.2	1.9	5.9	2.0	10.0	0.9	13.3	13.0
56.8	8.1	1.9	6.2	2.1	10.3	1.0	14.0	13.3
58.8	8.1	1.9	6.6	2.1	10.5	1.0	14.8	13.7
60.7	8.3	1.9	6.9	2.2	10.8	1.1	15.6	14.0



# Marin County Economic Forecast

Largely a bedroom community to the San Francisco County labor market, Marin County still contributes just over 100,000 jobs to the Bay Area metropolitan workforce. With a population of 249,100, wage and salary employment embodies 41 percent of the population. In neighboring San Francisco and San Mateo Counties, the employment to population ratios are 68 and 49 percent respectively.

The largest employment sector in Marin County is services, followed by retail trade. There is very little industry in the county.

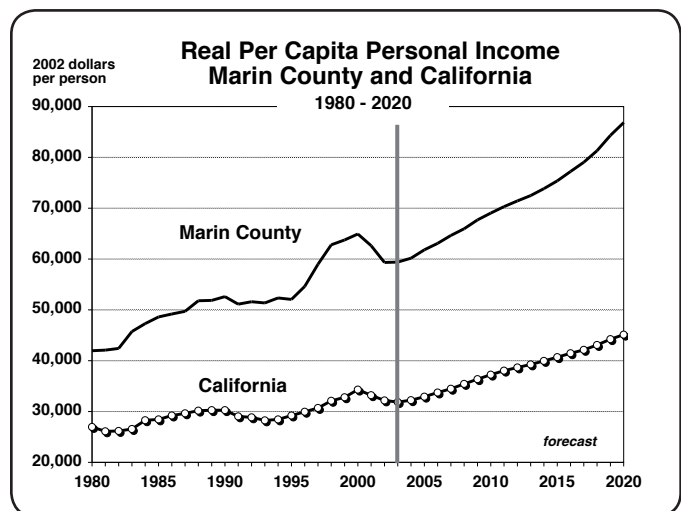
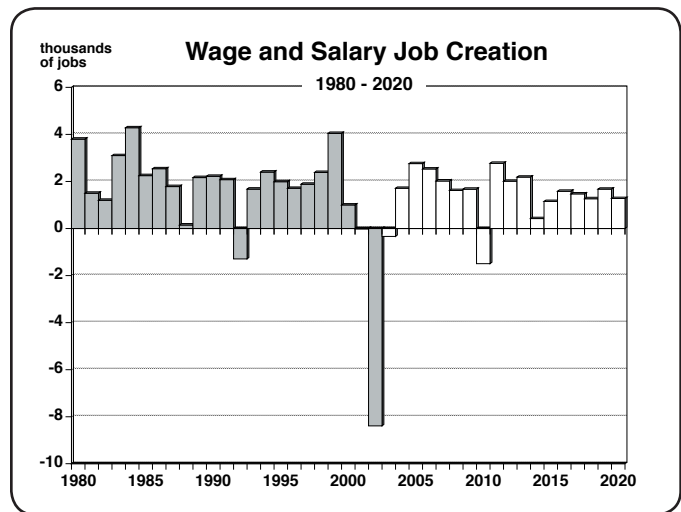
In 2002, employment declined 7.5 percent, and the unemployment rate jumped to 5.7 percent (from 1.9 percent in 2000). Service sector employment plunged 10 percent, jobs in manufacturing fell 11 percent, and transportation and utilities lost 8 percent of the workforce.

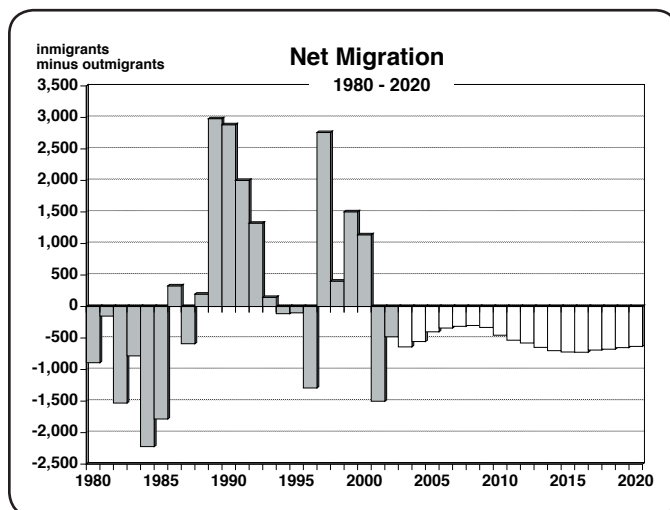
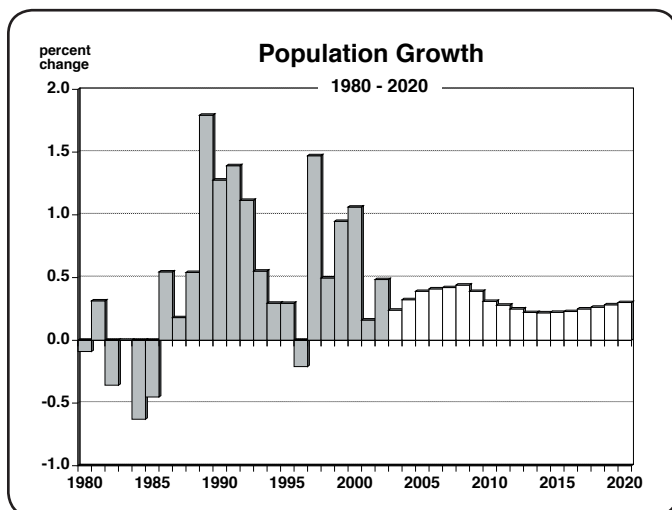
Marin County has one of the highest average per capita incomes in California (and the United States). In 2000, real income averaged \$64,926 per resident, the highest in California. It fell to \$59,327 in 2002. The relative affluence of Marin County is measured by household or personal income, and by the population to housing stock ratio. There are only 2.45 people per household in Marin County, compared to 2.8 persons in Contra Costa County, 2.67 persons in Sonoma County, or 2.98 in Santa Clara County.

There has been virtually no building in Marin County over the last few years. Limited building space and land supply, increased labor costs, and housing shortages will have significant effects on the economy of the future.

## Forecast Highlights

- No job growth is forecast for 2003. In 2004 as the California economy gains momentum, more jobs will be created in the county, principally in the services and retail sectors. Between 2003 and 2008 job growth is forecast to average 2.0 percent per year. Average growth abates to 1.3 percent per year between 2010 and 2020.
- Employment in manufacturing continues to consolidate. The level of housing prices make growth in the region very tenuous for industrial jobs. Nearly all of the gains in employment occur in non-industrial sectors, and many of those jobs will be held by a commuting population.
- The unemployment rate averages 5.0 percent in 2004, and declines marginally in subsequent years.
- Population growth slows further over the next 5 years. The lack of housing and the unaffordability of housing in the region raise an obvious barrier to growth. Compound annual growth forecasted for the 2003 to 2008 period falls to 0.47 percent per year, from 0.63 percent between 1997 and 2002. Population growth averages 0.2 percent per year between 2010 and 2020.





## Marin County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	238,400	-101	219,590	97.2	578	\$2.1	\$10.5	\$52,060	\$54.8	\$1.9
1996	237,900	-1,292	221,717	96.8	742	\$2.2	\$11.2	\$54,606	\$60.6	\$2.2
1997	241,400	2,761	212,258	96.9	598	\$2.4	\$12.5	\$58,981	\$60.6	\$2.6
1998	242,600	404	225,648	97.7	713	\$2.5	\$13.6	\$62,787	\$58.3	\$2.7
1999	244,900	1,503	228,114	98.2	736	\$2.7	\$14.2	\$63,765	\$54.6	\$3.6
2000	247,500	1,138	232,450	100.5	633	\$3.0	\$15.1	\$64,926	\$48.6	\$4.2
2001	247,900	656	235,679	101.0	375	\$2.9	\$15.1	\$62,642	\$50.9	\$4.6
2002	249,100	-480	226,555	101.5	435	\$2.8	\$14.8	\$59,327	\$47.5	\$3.5
2003	249,698	-641	224,988	101.8	491	\$2.7	\$15.2	\$59,414	\$48.7	\$3.7
2004	250,506	-556	223,869	102.4	507	\$2.9	\$15.8	\$60,162	\$50.1	\$3.7
2005	251,555	-401	222,833	102.9	581	\$3.1	\$16.7	\$61,819	\$51.4	\$3.9
2006	252,793	-341	222,643	103.6	605	\$3.2	\$17.5	\$63,088	\$52.8	\$4.1
2007	254,213	-314	223,157	104.3	620	\$3.3	\$18.5	\$64,636	\$54.1	\$4.2
2008	255,598	-300	223,454	104.9	621	\$3.4	\$19.4	\$65,958	\$55.5	\$4.3
2009	256,251	-332	223,626	105.6	612	\$3.5	\$20.4	\$67,699	\$56.9	\$4.6
2010	256,841	-455	223,426	106.3	582	\$3.7	\$21.4	\$69,039	\$58.4	\$4.8
2011	257,411	-534	223,277	107.0	579	\$3.8	\$22.4	\$70,321	\$60.0	\$5.0
2012	257,995	-578	223,156	107.6	575	\$4.0	\$23.4	\$71,440	\$61.7	\$5.2
2013	258,566	-648	223,097	108.2	547	\$4.1	\$24.4	\$72,498	\$63.5	\$5.3
2014	259,132	-700	223,231	108.8	543	\$4.3	\$25.5	\$73,855	\$65.2	\$5.5
2015	259,710	-721	223,757	109.5	538	\$4.6	\$26.7	\$75,391	\$66.9	\$5.6
2016	260,305	-725	225,090	110.1	553	\$4.8	\$28.1	\$77,227	\$68.7	\$5.7
2017	260,955	-691	226,949	110.7	554	\$5.0	\$29.6	\$79,036	\$70.7	\$5.8
2018	261,643	-676	228,983	111.3	552	\$5.2	\$31.3	\$81,320	\$72.6	\$5.9
2019	262,383	-652	231,216	111.9	553	\$5.5	\$33.4	\$84,329	\$74.5	\$6.1
2020	263,172	-633	233,379	112.5	555	\$5.8	\$35.2	\$86,844	\$76.4	\$6.4

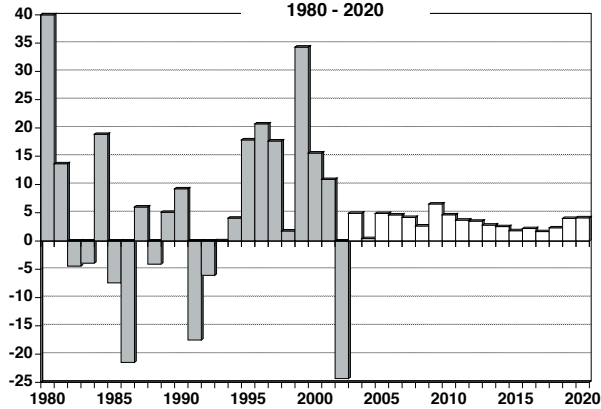
- Real per capita incomes rise at an annual compound rate of 2.1 percent over the next 5 years as order is restored to the Bay Area labor markets. Real (inflation-adjusted) salaries in the county average \$46,400 in 2004. They are forecast to rise at an annual compound rate of 2.6 percent between 2003 and 2008.
- The median home selling price in Marin County was \$698,859 in 2002. Over the forecast horizon, the median price rises an average of 2.0 percent per year, adjusted for inflation. This is a sharp decline from the 8.5 percent average real appreciation per year between 1997 and 2002.



average annual  
percent change

### Real Industrial Production

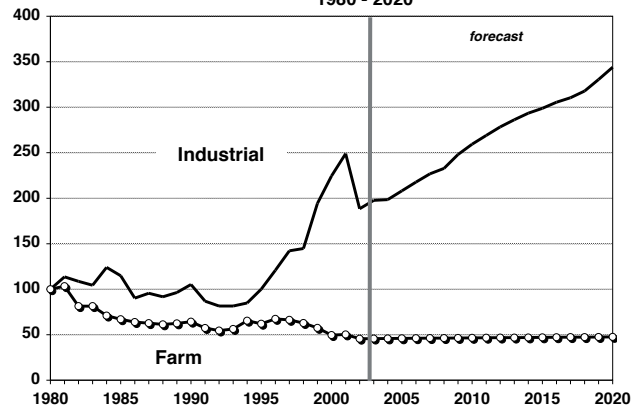
1980 - 2020



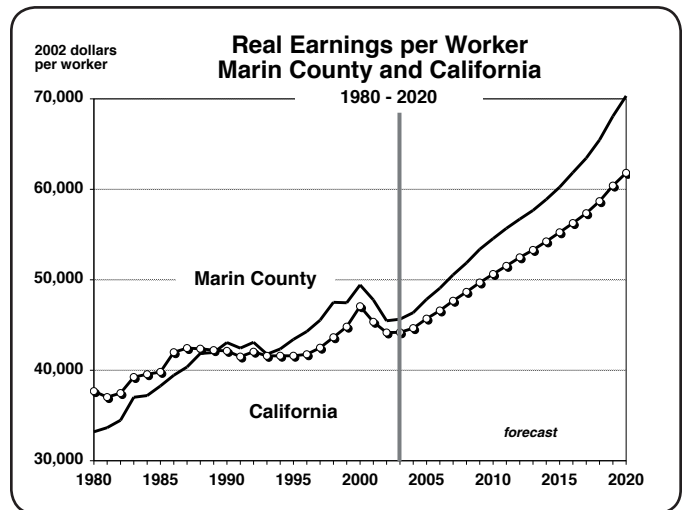
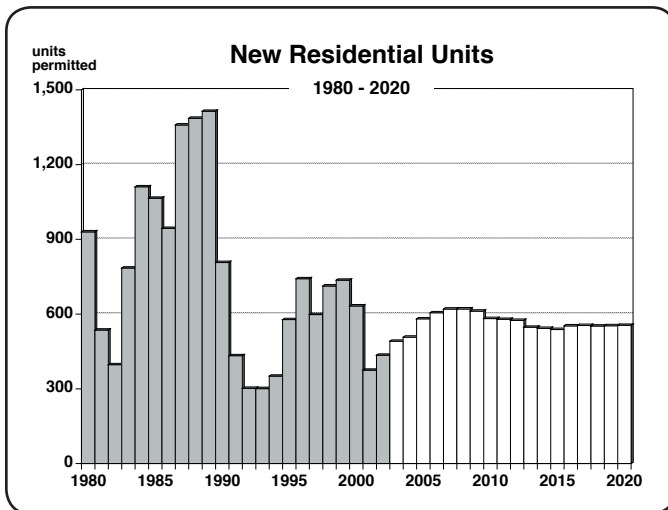
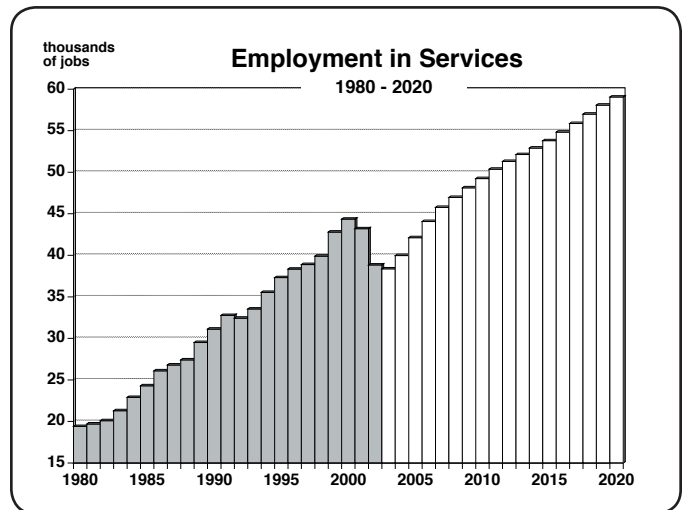
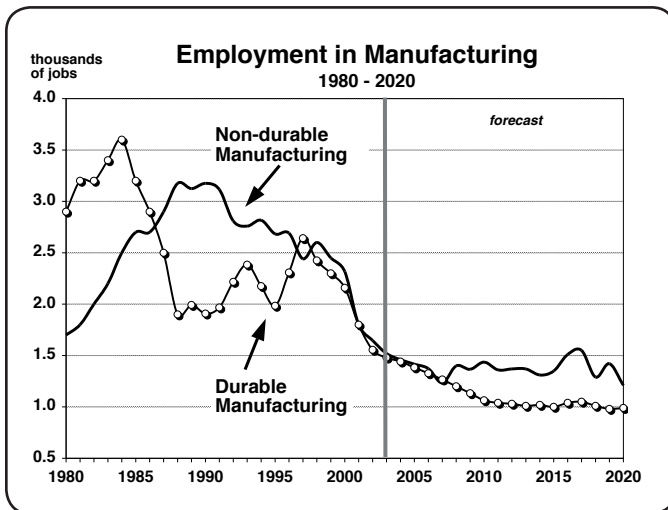
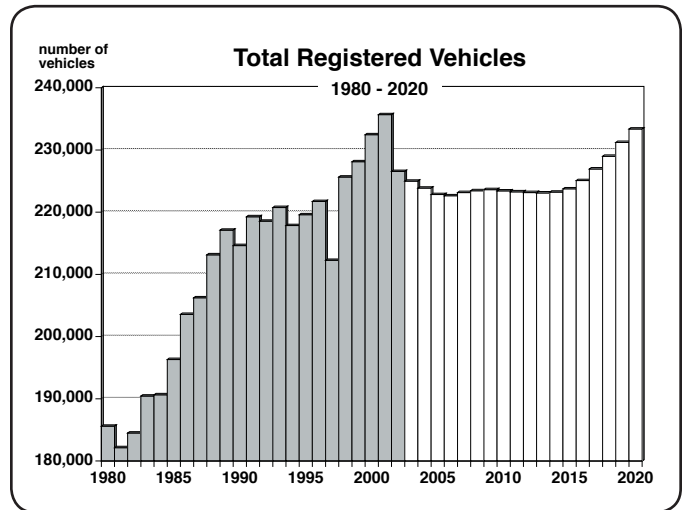
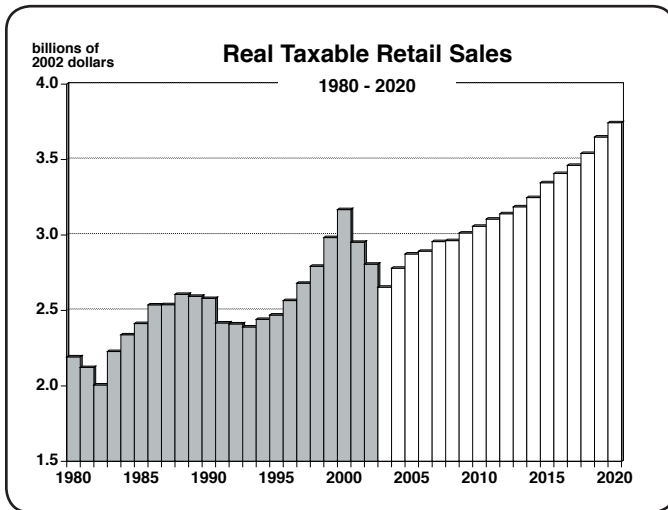
inflation-adjusted  
index (1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
100.7	0.725	4.6	4.7	2.6	28.0	9.2	37.3	13.6
102.5	0.508	5.0	5.0	2.8	27.6	9.4	38.3	13.8
104.3	0.508	5.4	5.1	3.3	27.6	9.6	38.9	14.0
106.7	0.450	6.1	5.0	3.5	28.0	9.5	39.9	14.2
110.8	0.475	7.0	4.8	3.2	28.5	9.3	42.8	14.7
111.8	0.508	7.9	4.5	2.0	27.8	9.2	44.4	15.5
111.7	0.300	9.1	3.6	3.0	28.8	8.7	43.2	15.0
103.4	0.291	6.6	3.2	2.8	28.0	8.3	38.8	15.4
103.0	0.252	6.9	3.0	2.9	28.3	8.1	38.4	15.2
104.7	0.227	6.8	2.9	2.9	28.6	8.1	40.0	15.2
107.5	0.210	7.0	2.8	3.0	28.9	8.3	42.1	15.1
110.0	0.199	7.2	2.7	3.0	29.2	8.5	44.1	15.1
112.0	0.190	7.3	2.5	3.1	29.4	8.6	45.8	15.1
113.6	0.185	7.5	2.6	3.0	29.6	8.6	47.0	15.1
115.3	0.180	7.9	2.5	3.0	29.9	8.6	48.1	15.1
113.8	0.177	8.1	2.5	3.0	30.1	8.5	49.2	15.1
116.6	0.175	8.2	2.4	3.0	30.4	8.4	50.4	15.1
118.6	0.173	8.4	2.4	3.0	30.7	8.3	51.3	15.1
120.8	0.171	8.5	2.4	3.0	30.9	8.2	52.1	15.0
121.2	0.170	8.6	2.3	3.0	31.1	8.1	52.9	15.0
122.4	0.169	8.7	2.4	3.0	31.4	8.0	53.8	15.0
123.9	0.168	8.8	2.6	3.0	31.6	8.0	54.8	15.0
125.4	0.167	9.0	2.6	3.0	31.9	8.0	55.9	15.0
126.7	0.166	9.2	2.3	3.0	32.1	7.9	57.0	15.0
128.4	0.166	9.4	2.4	3.0	32.4	7.9	58.1	15.0
129.6	0.165	9.7	2.2	3.0	32.6	7.9	59.1	15.1



# Mariposa County Economic Forecast

Mariposa County is nestled in the central Sierra Nevada foothills. Magnificent scenery and vast recreational opportunities make Mariposa County one of California's most popular year-round vacation destinations. The county is home to the majestic Yosemite National Park, a primary tourist attraction. In fact, tourism is the county's main industry and area's largest employer. Nearly four million people visit Yosemite National Park annually.

Mariposa County is dotted with rural farms, ranches, orchards, vineyards, and small communities. The infrastructure is in place to support a growing population. By the year 2020, Mariposa County's total population is projected to grow 32 percent from 17,450 (as of January 2003) to 23,000.

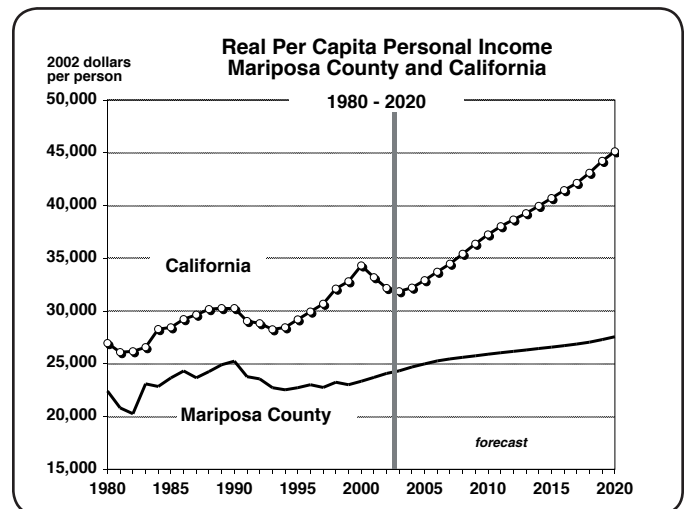
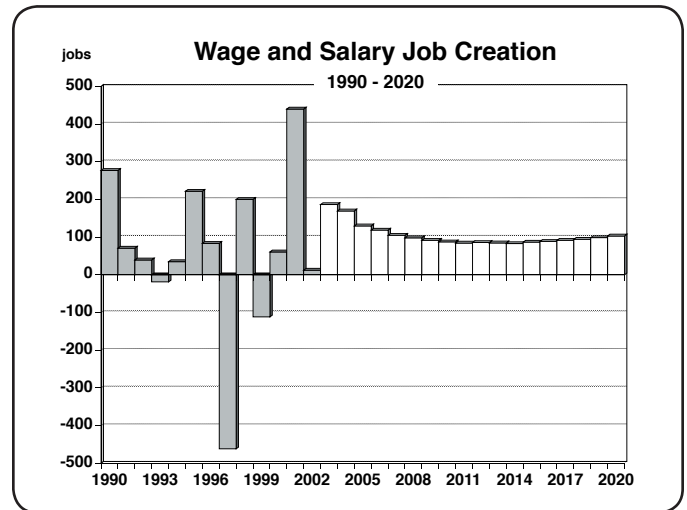
The largest industry in Mariposa County is government, which accounts for 40 percent of the total employment. By the year 2020, government is projected to account for more than 3,000 jobs. Services provide close to 35 percent of the county's current employment. Retail trade, another vital industry that serves the dominant visitor sector, makes up nearly 15 percent of all employment with most of the jobs in the restaurant and food-serving sector.

Services, government, and retail trade will continue to dominate Mariposa County's total employment. The largest growth over the forecast period will be in these three industries. Services is expected to add 240 jobs, and government is projected to add 250 new jobs over the next 5 years. The visitor-serving industry will remain the largest private sector activity in Mariposa County.

However, Mariposa County has taken steps to diversify the economy beyond tourism, and has actively solicited new businesses for the area. High-tech and home-based businesses are taking advantage of the county's extensive fiber optic telecommunications infrastructure. Despite past fluctuations in labor force and industry employment, the county is projected to experience growth over the foreseeable future.

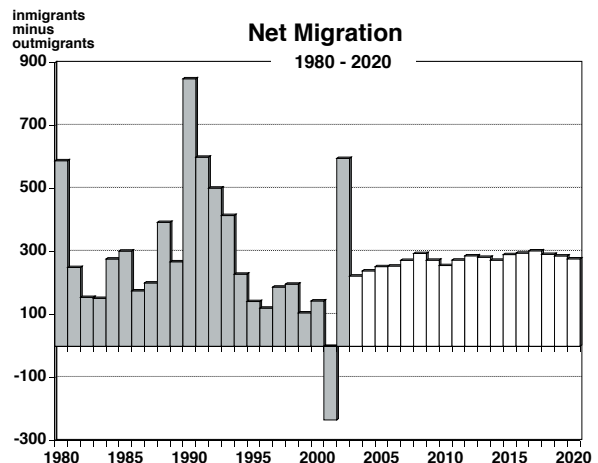
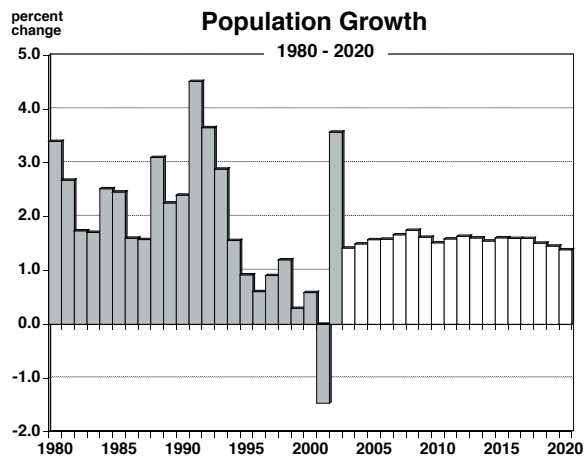
## Forecast Highlights

- Non-farm jobs increase 2.2 percent per year over the next 5 years.
- Inflation-adjusted per capita income rises an average of 1.0 percent per year over the next 5 years. Total



personal income grows faster than the rate of population, and Mariposa County residents grow more affluent over time. The average per capita income in 2002 was \$24,100.

- The services sector is forecast to create over 240 new wage and salary jobs in Mariposa County between 2003 and 2008. The government sector adds 250 new jobs.
- Between 2003 and 2008, an annual average of 115 new residential units are authorized through the permitting process.



## Mariposa County Economic Forecast

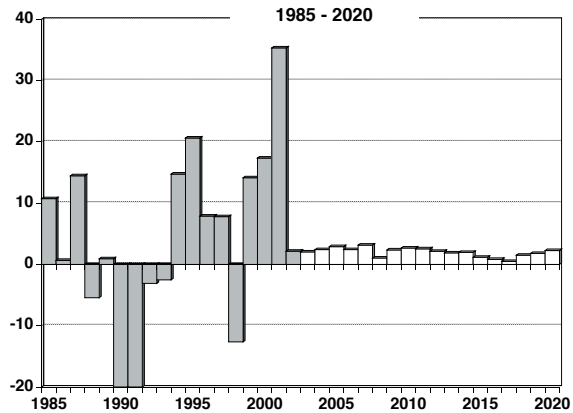
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	16,450	142	20.8	6.3	110	\$37.1	\$293.7	\$22,737	\$16.2	\$69.8
1996	16,550	121	21.5	6.4	127	\$38.6	\$306.1	\$23,020	\$17.4	\$75.4
1997	16,700	188	20.7	6.5	58	\$39.2	\$315.9	\$22,760	\$18.4	\$81.2
1998	16,900	197	21.5	6.6	71	\$40.2	\$336.9	\$23,248	\$18.3	\$71.0
1999	16,950	106	22.0	6.7	74	\$39.2	\$348.7	\$23,017	\$18.7	\$81.0
2000	17,050	144	23.2	6.6	85	\$41.4	\$371.6	\$23,342	\$18.6	\$95.1
2001	16,800	-234	24.6	6.7	95	\$42.3	\$391.9	\$23,710	\$21.5	\$128.7
2002	17,400	596	25.0	6.8	88	\$44.6	\$419.1	\$24,084	\$21.6	\$131.4
2003	17,647	223	25.7	6.8	102	\$46.2	\$440.2	\$24,335	\$20.2	\$134.1
2004	17,911	239	26.3	6.9	108	\$48.4	\$466.2	\$24,698	\$19.5	\$137.4
2005	18,192	253	26.9	7.0	119	\$50.9	\$492.5	\$24,997	\$19.4	\$141.4
2006	18,480	255	27.5	7.0	124	\$53.6	\$519.7	\$25,273	\$19.8	\$144.8
2007	18,788	273	28.1	7.1	119	\$56.4	\$546.2	\$25,459	\$20.5	\$149.3
2008	19,116	294	28.7	7.2	120	\$59.3	\$573.8	\$25,617	\$21.4	\$150.9
2009	19,425	273	29.4	7.3	118	\$62.3	\$601.6	\$25,759	\$22.5	\$154.5
2010	19,719	256	30.0	7.3	116	\$65.5	\$631.6	\$25,916	\$23.7	\$158.6
2011	20,033	274	30.6	7.4	104	\$68.8	\$663.5	\$26,056	\$24.9	\$162.7
2012	20,360	287	31.2	7.5	105	\$72.2	\$697.1	\$26,182	\$26.0	\$166.2
2013	20,687	283	31.8	7.6	112	\$75.8	\$732.8	\$26,314	\$27.1	\$169.3
2014	21,008	273	32.4	7.7	118	\$79.3	\$768.6	\$26,449	\$28.1	\$172.6
2015	21,345	291	33.0	7.7	121	\$83.0	\$806.3	\$26,581	\$29.2	\$174.7
2016	21,686	296	33.6	7.8	122	\$86.8	\$846.6	\$26,716	\$30.4	\$176.1
2017	22,032	303	34.2	7.9	121	\$90.9	\$890.5	\$26,871	\$31.5	\$177.0
2018	22,364	292	34.8	8.0	118	\$95.2	\$936.0	\$27,056	\$32.8	\$179.6
2019	22,689	287	35.4	8.1	116	\$99.7	\$984.2	\$27,294	\$34.3	\$182.9
2020	23,004	277	36.0	8.2	116	\$104.4	\$1,034.5	\$27,571	\$35.7	\$187.0

- Population is forecast to grow at a rate of 1.6 percent per year between 2003 and 2008. Net migrating population is the principal contributor toward new population growth in the county.

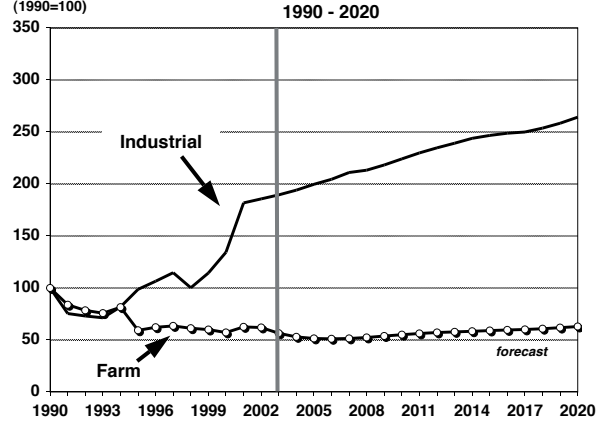
average annual  
percent change

### Real Industrial Production



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

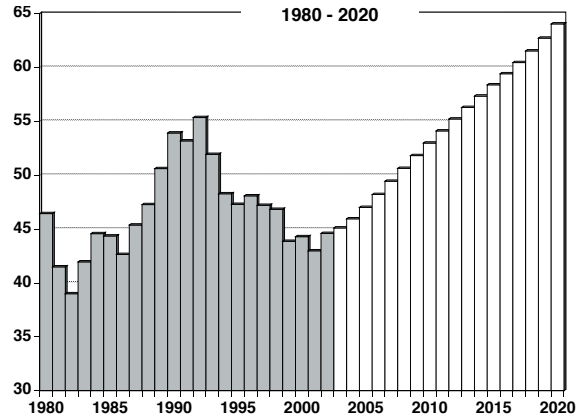


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
5,123	33	160	198	110	635	98	2,264	1,626
5,207	33	149	213	108	673	89	2,309	1,633
4,745	24	157	201	103	619	92	1,860	1,690
4,945	11	141	193	98	628	89	2,128	1,658
4,833	11	129	193	88	656	88	1,968	1,700
4,894	13	143	180	93	685	85	1,967	1,729
5,334	10	217	171	129	717	88	2,195	1,808
5,347	10	217	180	140	780	90	1,850	2,080
5,533	10	217	177	147	810	91	1,962	2,121
5,703	9	217	182	150	835	94	2,041	2,176
5,833	9	217	183	151	856	96	2,100	2,221
5,951	8	217	184	151	876	98	2,145	2,271
6,056	8	217	186	151	895	100	2,180	2,319
6,155	8	217	186	152	914	102	2,206	2,370
6,246	7	217	187	152	931	104	2,227	2,421
6,334	7	217	187	152	948	105	2,246	2,471
6,418	7	217	188	152	964	107	2,263	2,521
6,504	7	217	188	152	980	109	2,278	2,573
6,589	7	217	189	152	996	110	2,291	2,627
6,672	7	217	190	152	1,011	112	2,305	2,679
6,758	7	217	191	152	1,026	113	2,318	2,735
6,847	7	217	192	152	1,040	115	2,330	2,794
6,939	7	217	193	152	1,055	116	2,344	2,855
7,033	7	217	194	152	1,069	118	2,359	2,917
7,132	8	217	195	152	1,084	119	2,376	2,981
7,235	8	217	197	152	1,100	121	2,397	3,045

millions of  
2002 dollars

### Real Taxable Retail Sales

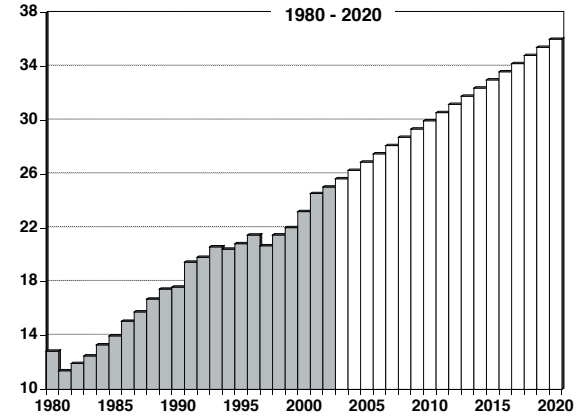
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

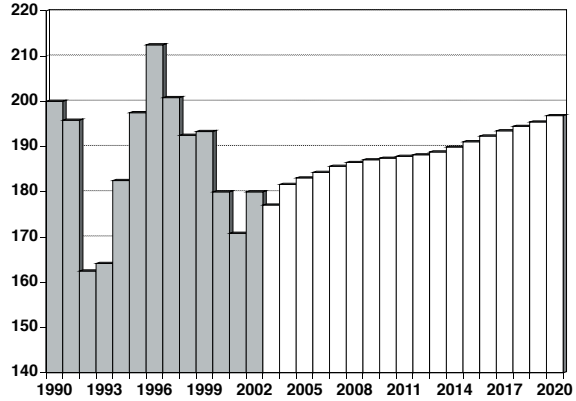
1980 - 2020



jobs

### Employment in Manufacturing

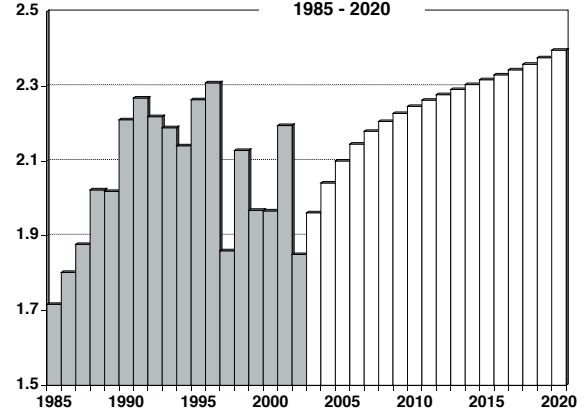
1990 - 2020



thousands of  
jobs

### Employment in Services

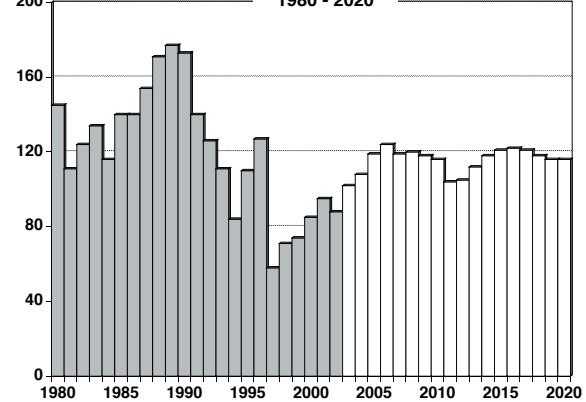
1985 - 2020



units  
permitted

### New Residential Units

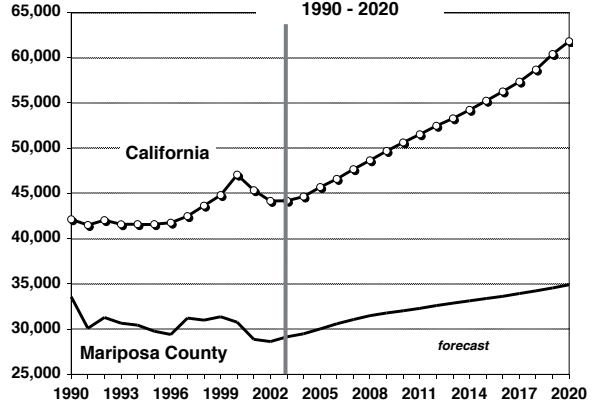
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Mariposa County and California

1990 - 2020



# Mendocino County Economic Forecast

Mendocino County's southern border is approximately 90 miles north of San Francisco. Tourism is the primary industry on the Mendocino coast. Consequently, State Highway 1, which hugs the coastline, and Highway 101, which runs north-south through the county, are vital transportation veins. Along the coast, the town of Mendocino and Mendocino Headlands State Park are popular tourist destinations.

The population of Mendocino County was 88,200 in January of 2003. The population has grown at a rate of 0.7 percent per year since the 2000 Census, adding less than 2,000 new residents to the county. The city of Ukiah is the county seat and largest city with a population of 15,850. Fort Bragg is home to the Skunk Line vintage trains, offering an historic 40-mile trip from Fort Bragg to the city of Willits. Willits (population 5,025), known as the gateway to the Redwoods, is located in central Mendocino County.

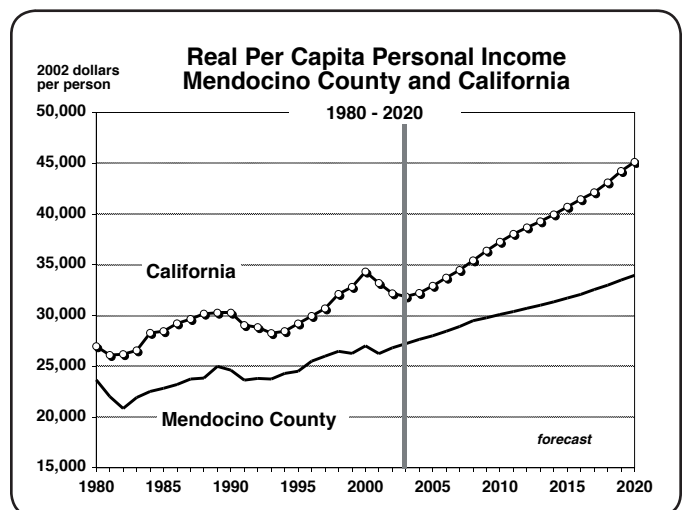
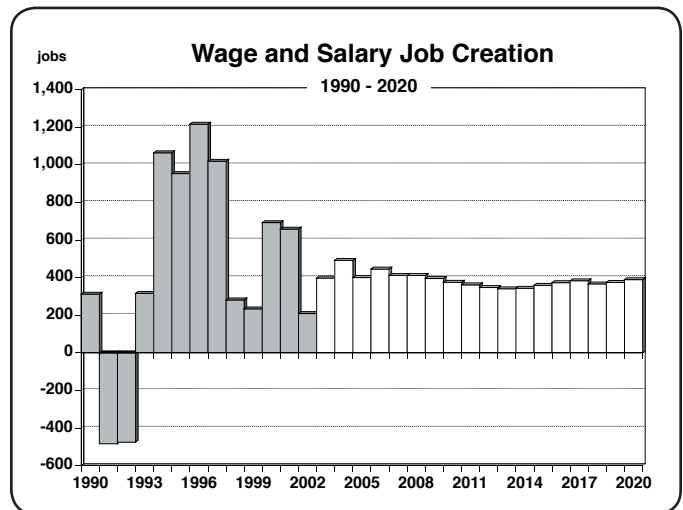
Retail trade, services, and government are the three largest industry employers in the county. Annual averages show that the retail sector accounted for the largest share (8,140 jobs), or 24 percent of all employment. The public sector contributed nearly 24 percent, and services made up 23 percent.

The retail trade, services and government industries are forecast to have the largest growth during the next 5 years. These three industries combined are expected to account for 88 percent (of the total projected growth in employment (2,163 jobs). By the year 2008, services is projected to add 750 new jobs, and retail trade is expected to add 460 jobs. The manufacturing industry is also estimated to increase by 235 jobs over the five-year period, despite projected losses in lumber and wood products manufacturing. Growth is primarily expected in the manufacture of non-durable goods, specifically in the food and kindred products sector.

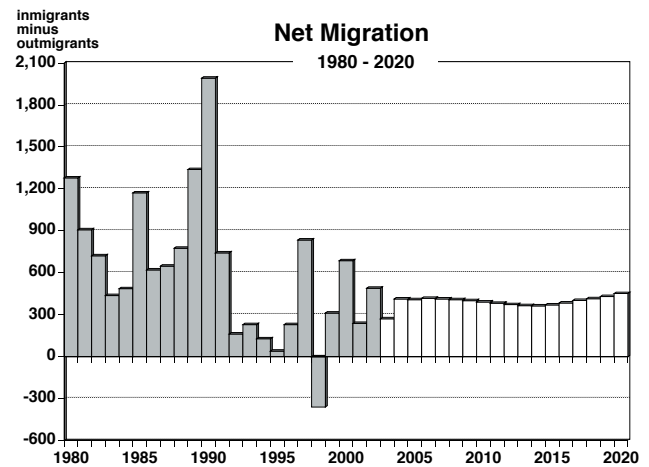
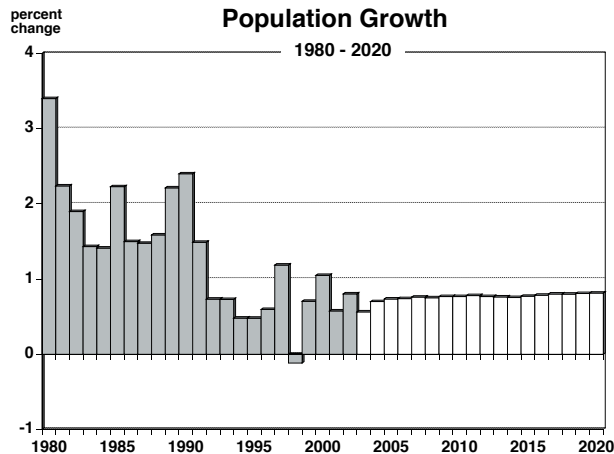
Agriculture is also important in the county. Mendocino vineyards and wineries have prospered as the name "Mendocino" becomes increasingly well known. Attention in the region is focused on different varieties and wine styles particular to each of Mendocino's microclimates.

## Forecast Highlights

- A non-farm job growth rate of 1.4 percent is forecast for Mendocino County between 2003 and 2008.



- Inflation-adjusted per capita income rises an average of 1.6 percent per year over the next 5 years.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 453 per year, a significant increase over the 314 units authorized per year between 1997 and 2002.
- Population growth averages 0.7 percent over the next 5 years, a rate which reflects the historical average over the last 5 years.



## Mendocino County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

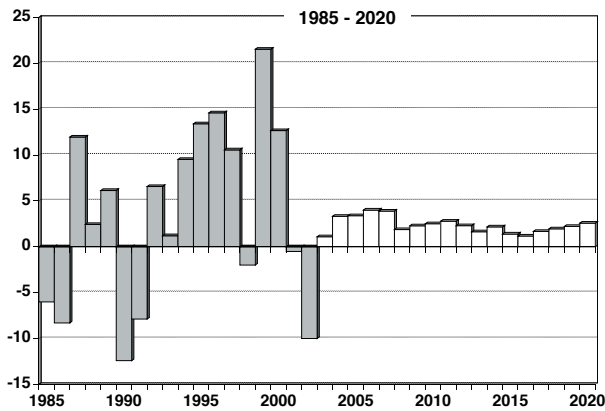
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	83,800	41	90.7	32.6	277	\$486.2	\$1,613.4	\$24,516	\$89.2	\$815.5
1996	84,300	230	92.8	32.8	238	\$523.5	\$1,727.5	\$25,506	\$116.8	\$934.6
1997	85,300	835	87.2	33.1	259	\$555.6	\$1,842.6	\$25,995	\$144.4	\$1,033.3
1998	85,200	-359	91.2	33.3	266	\$581.2	\$1,933.9	\$26,469	\$127.7	\$1,012.8
1999	85,800	313	93.9	33.5	270	\$644.1	\$2,014.7	\$26,272	\$127.7	\$1,230.9
2000	86,700	687	97.1	33.2	275	\$705.4	\$2,186.4	\$27,009	\$128.6	\$1,386.8
2001	87,200	239	101.0	33.5	353	\$720.4	\$2,252.2	\$26,250	\$131.0	\$1,379.7
2002	87,900	490	103.5	33.7	458	\$732.6	\$2,357.3	\$26,818	\$133.0	\$1,242.0
2003	88,396	272	105.2	34.2	452	\$782.2	\$2,467.1	\$27,225	\$137.9	\$1,255.6
2004	89,015	414	107.2	34.7	448	\$829.9	\$2,594.0	\$27,654	\$143.2	\$1,297.3
2005	89,669	408	109.5	35.1	445	\$876.5	\$2,720.1	\$28,009	\$147.1	\$1,341.3
2006	90,333	418	111.9	35.6	464	\$922.8	\$2,859.5	\$28,448	\$151.9	\$1,395.0
2007	91,020	414	114.5	36.1	448	\$972.2	\$3,005.7	\$28,919	\$156.6	\$1,449.4
2008	91,704	409	117.2	36.5	461	\$1,024.7	\$3,169.0	\$29,491	\$161.5	\$1,476.6
2009	92,408	402	120.1	37.0	435	\$1,083.8	\$3,308.8	\$29,781	\$166.7	\$1,510.5
2010	93,117	392	123.1	37.5	445	\$1,147.7	\$3,464.2	\$30,102	\$172.8	\$1,548.5
2011	93,843	383	126.2	37.9	423	\$1,217.2	\$3,625.3	\$30,393	\$179.6	\$1,591.9
2012	94,563	373	129.1	38.4	442	\$1,286.1	\$3,798.8	\$30,720	\$187.0	\$1,628.5
2013	95,284	366	132.1	38.8	427	\$1,360.0	\$3,977.3	\$31,010	\$194.8	\$1,655.3
2014	96,002	364	135.1	39.3	449	\$1,431.9	\$4,163.0	\$31,347	\$202.4	\$1,691.2
2015	96,743	371	137.9	39.8	438	\$1,508.9	\$4,360.5	\$31,717	\$210.2	\$1,714.8
2016	97,503	385	140.7	40.2	459	\$1,587.9	\$4,570.0	\$32,075	\$218.4	\$1,735.0
2017	98,284	403	143.4	40.7	437	\$1,673.2	\$4,813.0	\$32,555	\$227.0	\$1,764.1
2018	99,070	415	145.8	41.1	447	\$1,758.9	\$5,055.2	\$32,989	\$235.5	\$1,798.6
2019	99,871	431	147.0	41.6	426	\$1,852.3	\$5,316.5	\$33,496	\$244.1	\$1,838.7
2020	100,684	452	148.1	42.1	446	\$1,945.1	\$5,578.2	\$33,966	\$252.7	\$1,886.1

- Home prices, adjusted for inflation, are forecast to rise about 2.2 percent per year between 2003 and 2008. In 2002, the median selling value of existing homes in Mendocino County was \$317,541.



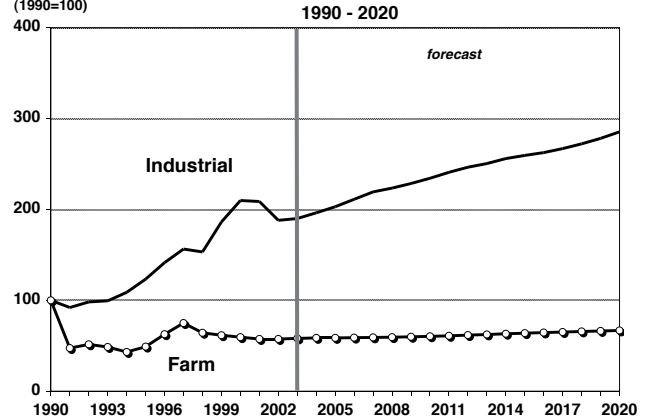
average annual  
percent change

### Real Industrial Production

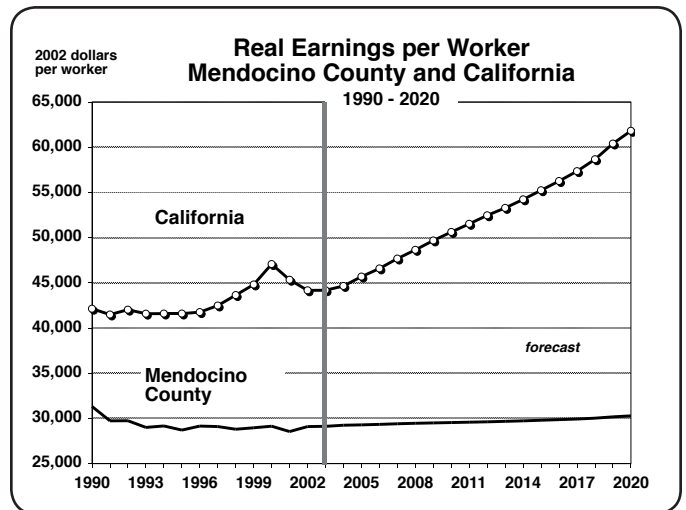
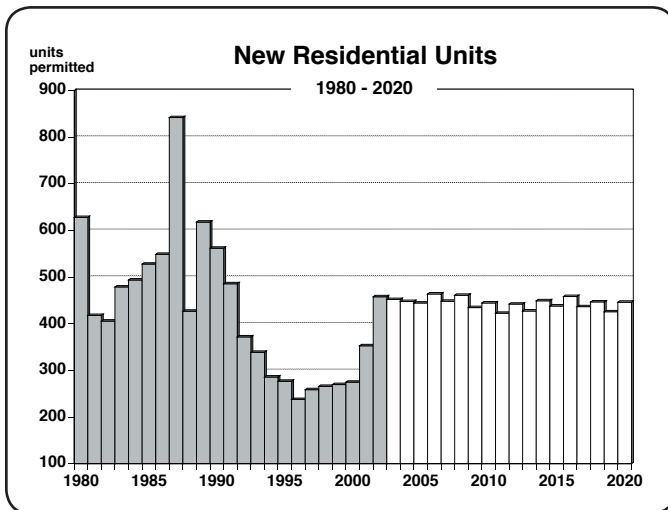
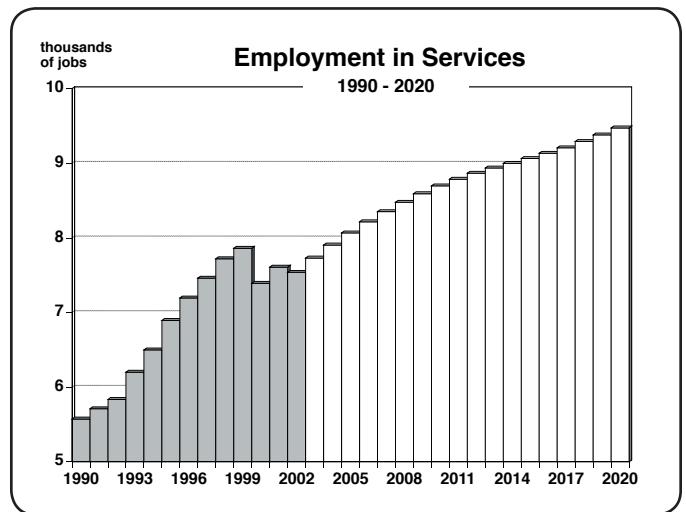
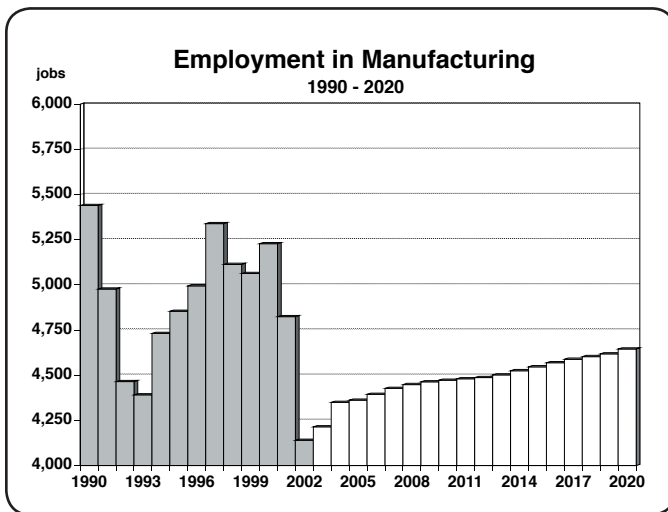
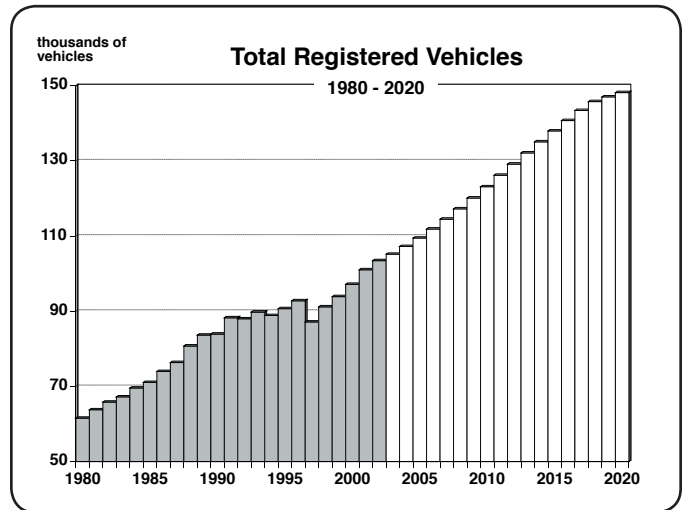
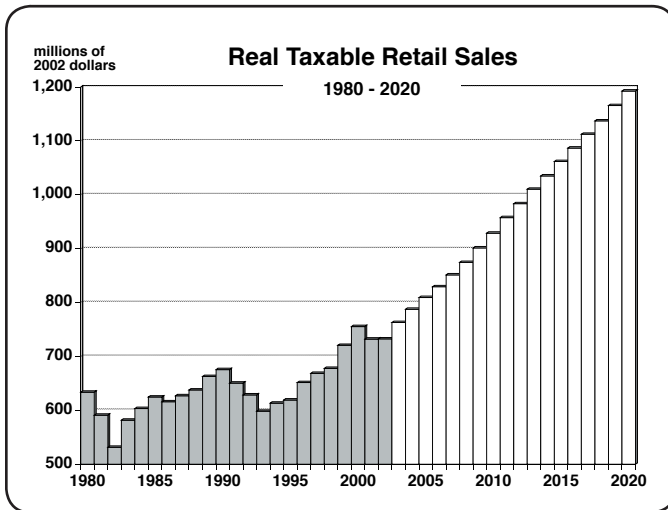


inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
29,299	1,930	947	4,854	1,147	7,347	894	6,896	5,285
30,515	2,166	1,137	4,995	1,200	7,606	883	7,196	5,333
31,534	2,412	1,163	5,339	1,220	7,708	916	7,462	5,314
31,816	2,473	1,253	5,113	1,202	7,711	953	7,722	5,390
32,050	2,413	1,330	5,063	1,141	7,737	947	7,862	5,558
32,743	2,489	1,475	5,228	1,073	7,770	943	7,393	6,372
33,401	2,573	1,633	4,824	1,126	7,946	1,002	7,609	6,688
33,610	2,240	1,480	4,140	1,110	8,140	1,030	7,540	7,930
34,008	2,214	1,454	4,215	1,114	8,221	1,040	7,732	8,020
34,500	2,174	1,464	4,350	1,118	8,309	1,047	7,906	8,132
34,901	2,131	1,484	4,362	1,121	8,401	1,054	8,067	8,279
35,347	2,102	1,528	4,394	1,124	8,494	1,062	8,217	8,425
35,759	2,071	1,554	4,427	1,128	8,588	1,070	8,353	8,567
36,171	2,056	1,572	4,449	1,131	8,684	1,078	8,478	8,724
36,566	2,049	1,570	4,464	1,134	8,782	1,086	8,593	8,890
36,942	2,044	1,568	4,472	1,137	8,882	1,093	8,698	9,047
37,304	2,042	1,581	4,480	1,140	8,984	1,101	8,787	9,188
37,651	2,045	1,584	4,487	1,143	9,087	1,107	8,867	9,331
37,992	2,048	1,571	4,502	1,146	9,190	1,112	8,938	9,485
38,336	2,050	1,574	4,525	1,149	9,292	1,116	9,000	9,631
38,695	2,049	1,576	4,547	1,151	9,393	1,120	9,064	9,795
39,069	2,046	1,578	4,569	1,154	9,492	1,125	9,135	9,970
39,453	2,040	1,598	4,589	1,156	9,591	1,130	9,208	10,141
39,819	2,026	1,598	4,603	1,159	9,689	1,137	9,293	10,314
40,194	2,014	1,608	4,619	1,162	9,786	1,144	9,381	10,482
40,584	2,007	1,616	4,645	1,164	9,882	1,151	9,474	10,644



# Merced County Economic Forecast

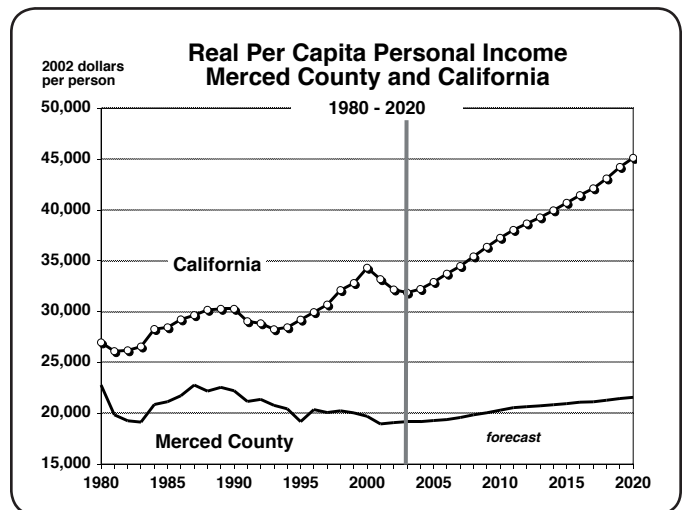
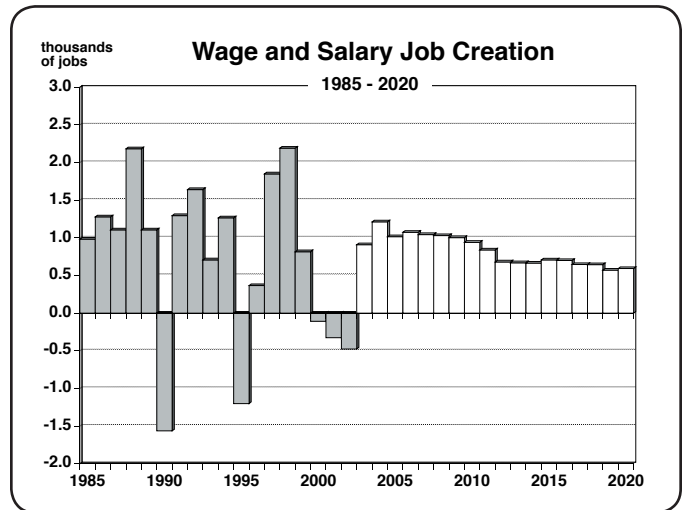
More than half of the land in Merced County is made up of the agriculturally rich alluvial plain produced by the Chowchilla, San Joaquin, and Merced Rivers which flow through it. Agriculture is one of the county's main sources of revenue, and, based on production, Merced is the fifth leading agricultural county in the state.

Milk and milk products from Merced's commercial dairies generate the greatest amount of revenue. Crops grown in commercial quantities include poultry, almonds, tomatoes, and alfalfa.

The county's 2002 annual average unemployment rate was 14.4 percent, compared to a rate of 6.7 percent for the state. Typically, in counties such as Merced where agriculture and tourism are factors in the economy, there is usually a substantial amount of seasonal employment, and as a result, higher unemployment rates in the off-season.

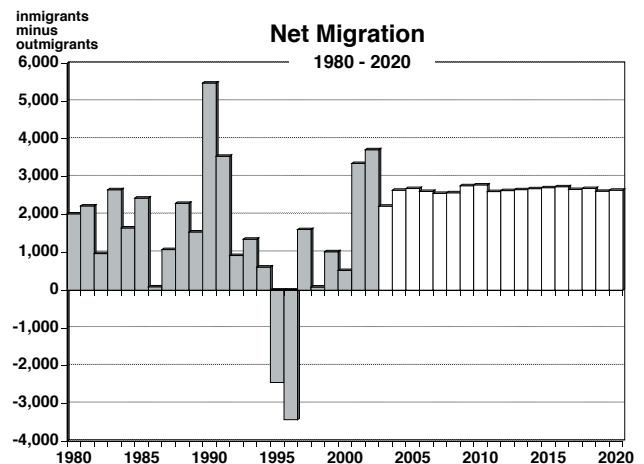
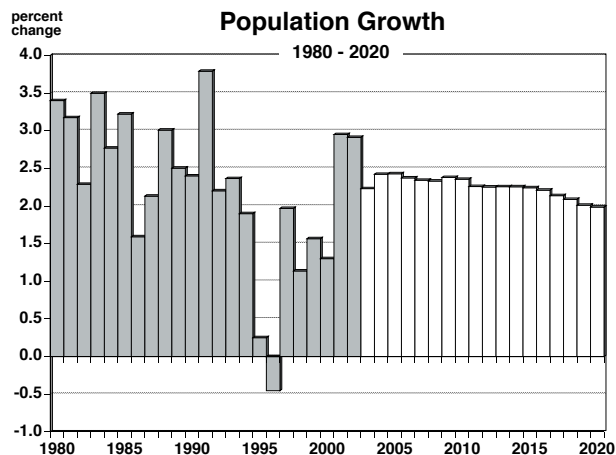
In recent years, Merced County has sought to diversify its agriculturally based economy, balancing it out by expanding tourist trade and the manufacture of light industry, geared to agricultural related products. In 2002, government, agriculture, manufacturing, and retail trade were the dominant industries and contributed similar shares of the county's total wage and salary employment base. Government accounted for 21 percent of all employment, with a majority of the jobs (13,500) in local government, and agriculture contributed 17.3 percent of the total.

Significant growth is forecast for Merced County, because housing is affordable and can be built in large numbers. For the next 5 years, population growth will accelerate, due to new immigration from the creation of more jobs in services, government, and manufacturing.



## Forecast Highlights

- Non-farm employment will grow 2.0 percent per year between 2003 and 2008. Farm employment is forecast to rise a scant 0.1 percent per year over the same time period.
- Real per-capita income rises an average 0.7 percent per year over the next 5 years. Total personal income adjusted for inflation is forecast to increase an average of 2.7 percent per year.
- Between 2003 and 2008, an annual average of 1,600 new residential units are authorized through the permitting process.
- Population growth accelerates to 2.4 percent per year between 2003 and 2008. The average annual rate of population growth between 1997 and 2002 was 2.0 percent. The forecast calls for an increase in the natural increase, due to rapidly growing population in the 20 to 29 year old age cohort. However, net migration is also forecast to average 2,550 persons per year.
- The median home selling price reached \$149,000 in 2002. It is forecast to rise an average of 4 percent per year between 2003 and 2008. Between 1997 and 2002, the inflation-adjusted median home selling price showed an average annual increase of 5.0 percent.



## Merced County Economic Forecast

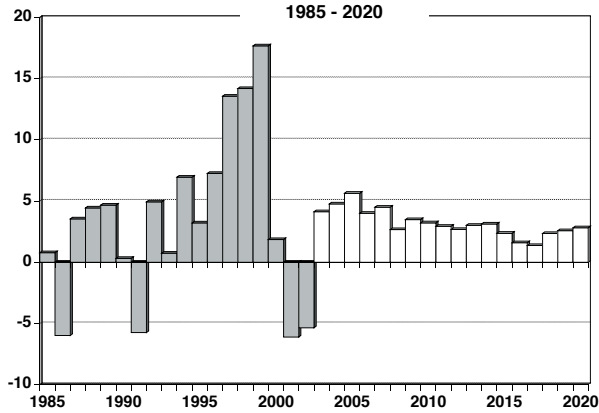
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	199,000	-2,443	149.2	61.3	867	\$0.8	\$3.0	\$19,175	\$1,222	\$1.4
1996	198,100	-3,428	149.3	61.5	871	\$0.9	\$3.2	\$20,366	\$1,430	\$1.6
1997	202,000	1,603	141.5	62.3	1,010	\$0.9	\$3.4	\$20,071	\$1,527	\$1.8
1998	204,300	84	150.4	63.1	1,032	\$1.0	\$3.5	\$20,237	\$1,450	\$2.0
1999	207,500	1,017	156.0	63.9	1,003	\$1.1	\$3.7	\$20,040	\$1,534	\$2.4
2000	210,200	521	161.9	63.5	1,553	\$1.2	\$3.9	\$19,706	\$1,539	\$2.4
2001	216,400	3,351	171.0	64.8	1,131	\$1.3	\$4.0	\$18,943	\$1,703	\$2.3
2002	222,700	3,716	176.7	66.0	1,723	\$1.3	\$4.3	\$19,080	\$1,679	\$2.1
2003	227,668	2,223	182.6	66.9	1,558	\$1.4	\$4.5	\$19,182	\$1,725	\$2.2
2004	233,180	2,645	188.0	67.8	1,570	\$1.5	\$4.7	\$19,179	\$1,779	\$2.3
2005	238,843	2,689	191.9	68.7	1,615	\$1.6	\$4.9	\$19,284	\$1,835	\$2.5
2006	244,512	2,612	195.3	69.6	1,596	\$1.7	\$5.2	\$19,377	\$1,894	\$2.6
2007	250,239	2,561	199.1	70.4	1,604	\$1.8	\$5.5	\$19,579	\$1,952	\$2.7
2008	256,075	2,577	200.9	71.1	1,588	\$1.9	\$5.8	\$19,842	\$2,014	\$2.8
2009	262,167	2,763	204.3	71.8	1,573	\$2.0	\$6.2	\$20,046	\$2,076	\$2.9
2010	268,342	2,784	208.0	72.3	1,560	\$2.1	\$6.5	\$20,299	\$2,145	\$2.9
2011	274,404	2,608	211.3	73.1	1,562	\$2.2	\$6.9	\$20,547	\$2,217	\$3.0
2012	280,586	2,635	214.1	74.4	1,596	\$2.3	\$7.3	\$20,653	\$2,291	\$3.1
2013	286,919	2,659	217.1	75.7	1,588	\$2.5	\$7.7	\$20,734	\$2,369	\$3.2
2014	293,390	2,684	220.3	77.3	1,647	\$2.6	\$8.1	\$20,838	\$2,446	\$3.3
2015	299,970	2,710	223.9	78.9	1,662	\$2.7	\$8.6	\$20,953	\$2,524	\$3.4
2016	306,602	2,736	227.9	80.8	1,659	\$2.8	\$9.0	\$21,092	\$2,607	\$3.4
2017	313,157	2,664	231.9	82.5	1,645	\$2.9	\$9.5	\$21,128	\$2,696	\$3.5
2018	319,696	2,690	235.7	83.7	1,627	\$3.0	\$10.0	\$21,284	\$2,787	\$3.6
2019	326,121	2,617	239.2	85.6	1,623	\$3.1	\$10.6	\$21,455	\$2,879	\$3.7
2020	332,600	2,645	242.3	87.2	1,632	\$3.3	\$11.1	\$21,568	\$2,971	\$3.8

average annual  
percent change

### Real Industrial Production

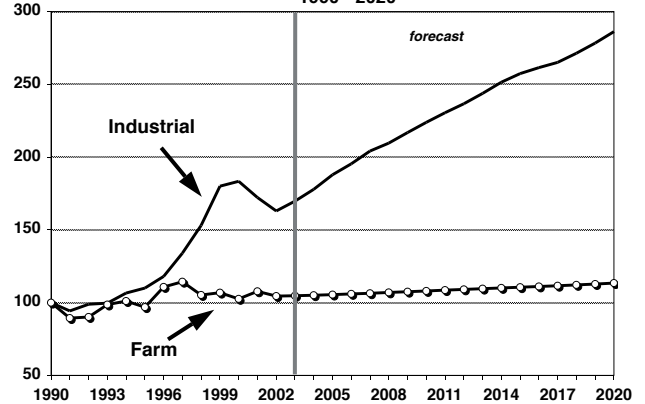
1985 - 2020



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020

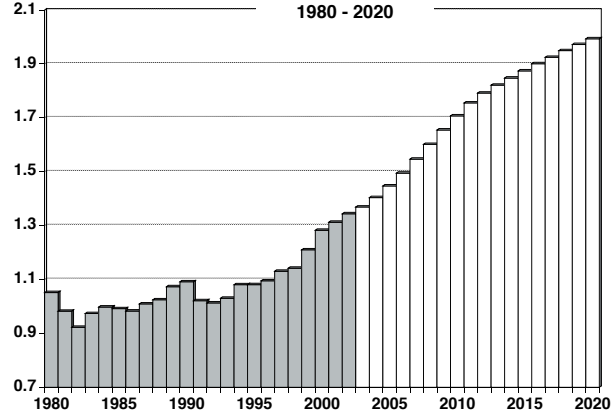


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
58.3	11.0	1.5	10.2	1.9	11.6	2.0	8.0	12.1
58.7	11.0	1.5	10.4	1.9	11.6	2.1	8.2	11.9
60.5	11.1	1.5	11.4	2.2	11.6	2.0	8.9	11.6
62.7	11.1	1.8	12.2	2.8	12.1	2.0	9.1	11.7
63.5	11.5	2.0	11.6	2.8	12.1	2.0	9.5	11.9
63.4	11.6	2.1	10.9	2.4	12.4	1.8	9.9	12.2
63.1	10.8	2.3	10.4	1.7	12.6	1.6	10.5	13.1
62.6	10.9	2.4	8.6	1.7	12.9	1.6	11.1	13.5
63.5	10.9	2.5	8.7	1.7	13.0	1.6	11.5	13.6
64.7	10.9	2.6	9.1	1.7	13.2	1.6	12.0	13.7
65.7	10.9	2.7	9.3	1.8	13.3	1.6	12.5	13.7
66.8	10.9	2.7	9.4	1.8	13.5	1.6	13.0	13.8
67.9	10.9	2.8	9.6	1.9	13.6	1.6	13.5	14.0
68.9	11.0	2.8	9.7	1.9	13.8	1.6	14.0	14.1
69.9	11.0	2.9	9.7	1.9	14.0	1.6	14.5	14.3
70.8	11.0	2.9	9.8	2.0	14.2	1.7	14.9	14.4
71.7	11.1	2.9	9.8	2.0	14.4	1.7	15.2	14.6
72.4	11.1	2.9	9.9	2.1	14.6	1.7	15.4	14.7
73.0	11.1	3.0	9.9	2.1	14.8	1.7	15.6	14.9
73.7	11.2	3.0	10.0	2.1	14.9	1.7	15.8	15.1
74.4	11.2	3.0	10.0	2.2	15.1	1.7	16.0	15.2
75.1	11.3	3.0	10.1	2.2	15.2	1.7	16.2	15.4
75.7	11.4	3.0	10.1	2.2	15.3	1.7	16.4	15.6
76.4	11.4	3.0	10.2	2.3	15.4	1.7	16.5	15.8
77.0	11.5	3.1	10.2	2.3	15.5	1.7	16.7	16.0
77.6	11.6	3.1	10.3	2.4	15.6	1.8	16.8	16.1

billions of  
2002 dollars

### Real Taxable Retail Sales

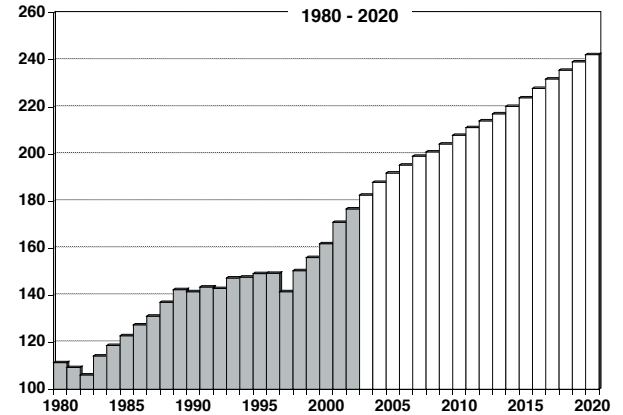
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

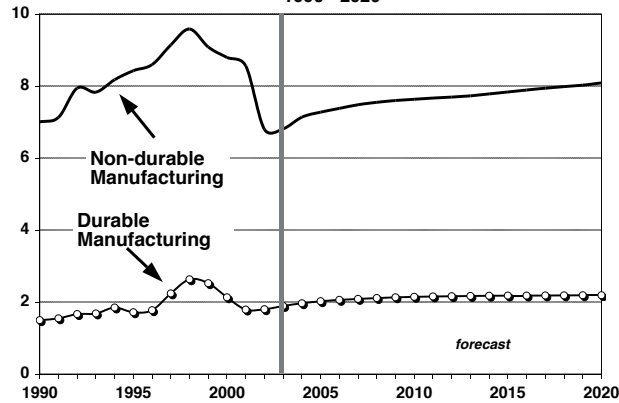
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

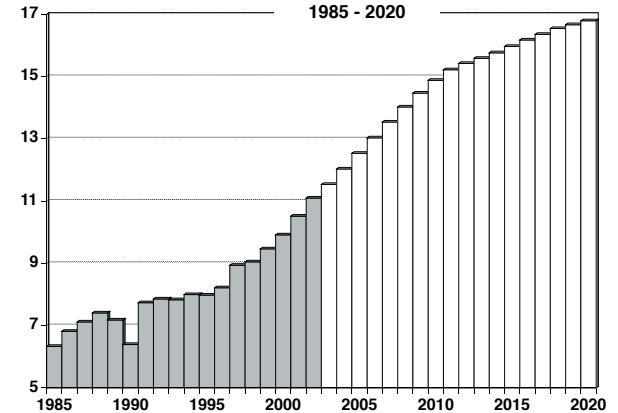
1990 - 2020



thousands of  
jobs

### Employment in Services

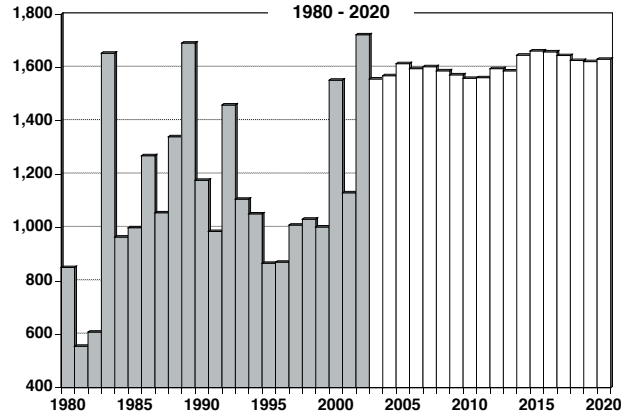
1985 - 2020



units  
permitted

### New Residential Units

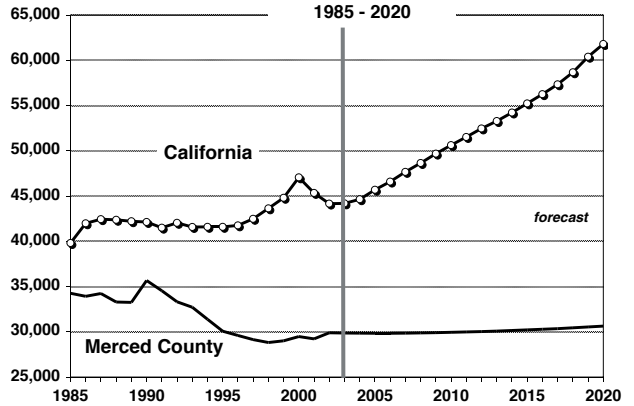
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Merced County and California

1985 - 2020



# Modoc County Economic Forecast

Modoc County is located in the northeast corner of California, bordered by the states of Oregon to the north and Nevada to the east. Modoc County's extensive transportation system includes highways, railroads, and airports. The principal route through the county is US Highway 395. State Highway 139 runs northwest to Tule Lake, a wildlife refuge area near Lava Beds National Monument. Airports are located in Alturas, Cedarville, and Fort Bidwell.

Modoc County's population as of January 2003 was 9,325, a slight decrease from the 9,449 residents recorded in the 2000 Census. The employment center in Modoc County is found in the city of Alturas having a population of 2,810. Alturas is the only city in the county. By the year 2010, Modoc County is projected to grow to 9,670 residents.

In tourism and recreation counties like Modoc, economic conditions are strongly affected by seasonal variations in employment.

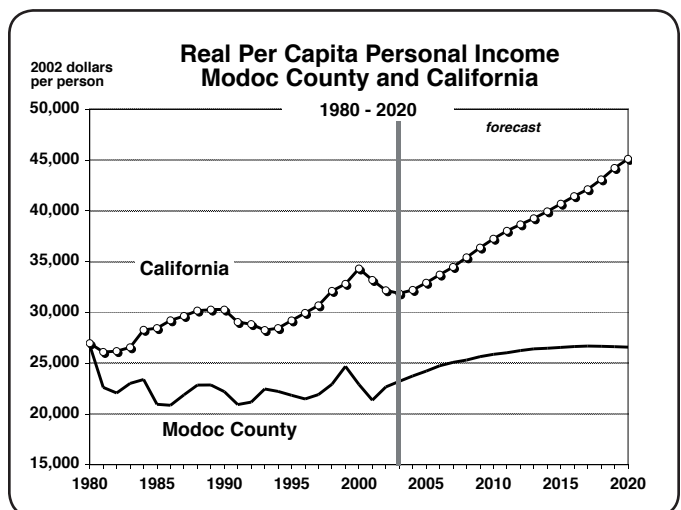
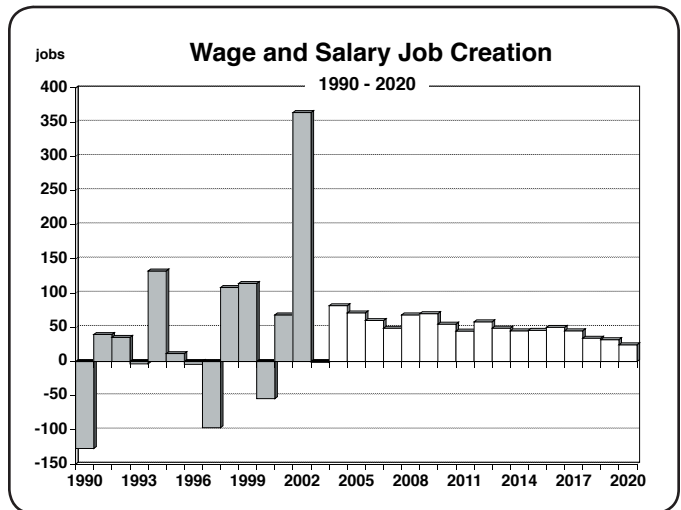
Modoc County's primary industries are government, retail trade, and services. Government, the largest industry, accounts for almost 45 percent (1,450 jobs) of all employment in the county. Wholesale and retail trade employment accounts for 19 percent of total employment. The share of employment in services is 14 percent. Agricultural production and agricultural services are also important to the county and account for close to 10 percent of the total. The top agricultural products and commodities include alfalfa, cattle and calves, pasture and range, potatoes, and hay.

Over the next 5 years, government, retail trade, and services will account for nearly all of the job growth. The forecast calls for 350 new jobs between 2003 and 2008, with 340 of them coming in these three sectors.

Historically, the timber industry and the lumber and wood products manufacturing industry employed many of Modoc County's residents. However, there have been production and employment declines in wood processing in recent years. Currently, the largest employers in Modoc are large government agencies, which include the Forest Service, the Bureau of Land Management, and the California Department of Transportation.

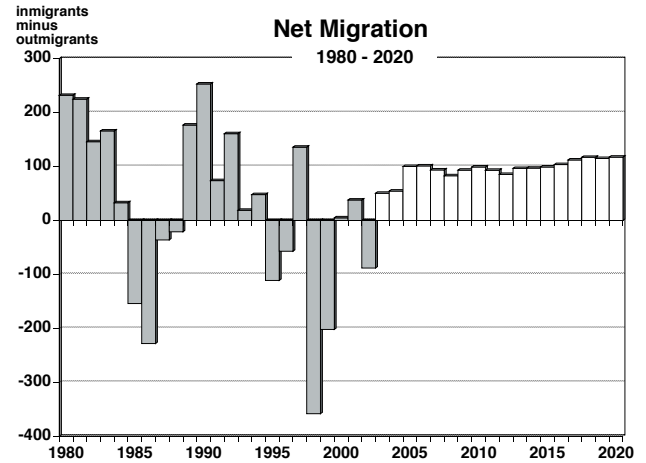
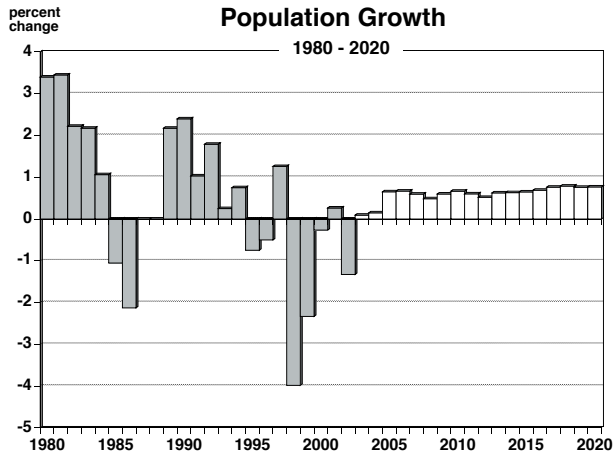
## Forecast Highlights

- Non-farm job growth is forecast to rise 2.3 percent per year over the next 5 years. The principal sectors of growth occur in government, trade, and services. An



average of 55 jobs per year are created between 2003 and 2008.

- Inflation-adjusted per-capita income rises 1.8 percent per year over the next 5 years. Total real personal income rises 2.2 percent per year between 2003 and 2008. During the 1997 to 2002 period, per capita personal income adjusted for inflation averaged 0.7 percent growth per year.
- The growth in population averages 0.5 percent per year over the next 5 years. The number of new in-migrants is forecast to average 80 persons per year. Between 1997 and 2002, net out-migration averaged 78 persons per year.

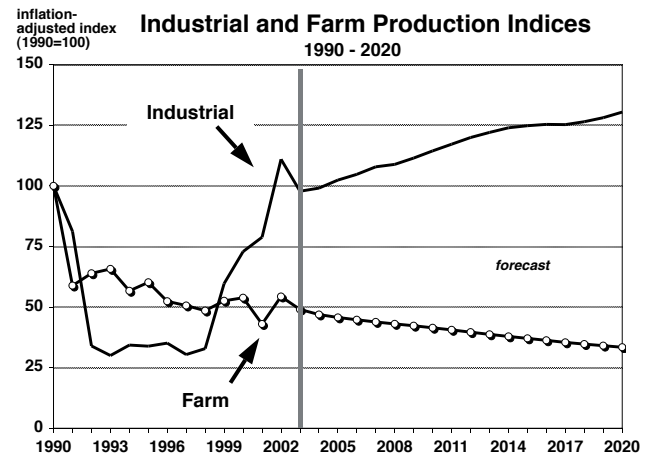
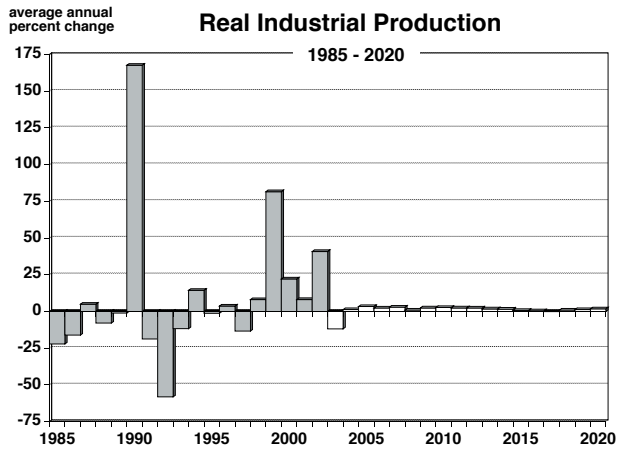


## Modoc County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	9,975	-111	11.4	4.0	10	\$35.9	\$171.1	\$21,837	\$64.3	\$31.6
1996	9,925	-57	11.6	4.0	9	\$35.4	\$171.2	\$21,475	\$57.2	\$32.8
1997	10,050	136	10.7	4.0	7	\$35.4	\$183.0	\$21,909	\$57.2	\$28.4
1998	9,650	-358	10.9	4.1	10	\$36.0	\$189.7	\$22,927	\$56.5	\$30.7
1999	9,425	-202	11.0	4.1	14	\$38.4	\$208.0	\$24,692	\$63.8	\$55.7
2000	9,400	5	11.4	3.8	20	\$41.6	\$201.1	\$22,910	\$68.3	\$68.0
2001	9,425	38	11.9	3.8	10	\$42.5	\$198.1	\$21,359	\$57.5	\$73.5
2002	9,300	-88	12.1	3.8	27	\$46.4	\$210.8	\$22,671	\$73.8	\$103.5
2003	9,309	50	12.3	3.9	24	\$47.4	\$221.6	\$23,218	\$68.3	\$91.2
2004	9,323	54	12.5	3.9	25	\$50.2	\$233.3	\$23,748	\$67.2	\$92.4
2005	9,383	100	12.7	3.9	26	\$53.3	\$246.2	\$24,223	\$67.2	\$95.5
2006	9,446	101	13.0	3.9	26	\$57.4	\$260.1	\$24,745	\$67.6	\$97.7
2007	9,503	94	13.2	3.9	25	\$61.5	\$272.2	\$25,089	\$68.0	\$100.6
2008	9,549	83	13.4	4.0	26	\$64.3	\$283.3	\$25,318	\$68.5	\$101.5
2009	9,606	93	13.6	4.0	26	\$67.2	\$296.2	\$25,643	\$69.1	\$103.9
2010	9,670	99	13.8	4.0	25	\$71.3	\$309.2	\$25,874	\$69.6	\$106.7
2011	9,729	93	14.0	4.0	25	\$74.6	\$321.9	\$26,031	\$70.0	\$109.3
2012	9,779	86	14.2	4.0	25	\$78.6	\$335.6	\$26,244	\$70.4	\$111.9
2013	9,841	97	14.4	4.0	25	\$82.5	\$349.9	\$26,415	\$70.8	\$113.8
2014	9,903	97	14.6	4.0	25	\$86.3	\$362.7	\$26,476	\$71.2	\$115.6
2015	9,967	99	14.8	4.1	25	\$89.9	\$376.3	\$26,563	\$71.6	\$116.4
2016	10,036	104	15.0	4.1	25	\$93.6	\$390.7	\$26,642	\$72.0	\$116.9
2017	10,113	112	15.2	4.1	25	\$97.2	\$406.0	\$26,687	\$72.4	\$116.8
2018	10,193	117	15.4	4.1	24	\$100.7	\$420.4	\$26,663	\$72.9	\$117.9
2019	10,270	115	15.5	4.1	24	\$103.9	\$434.6	\$26,627	\$73.5	\$119.5
2020	10,349	117	15.7	4.1	23	\$107.0	\$448.7	\$26,577	\$74.1	\$121.6



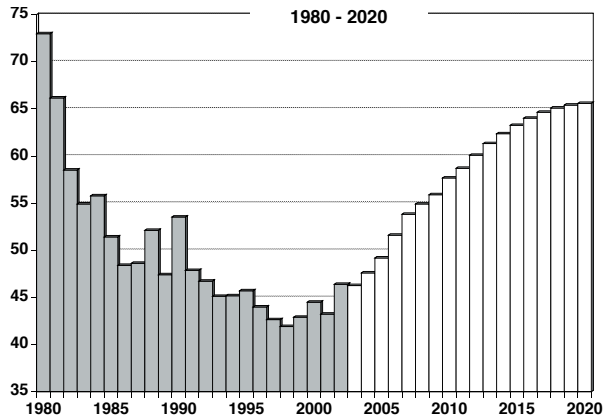


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
2,720	310	47	67	94	542	81	282	1,298
2,716	302	42	49	103	544	78	295	1,303
2,619	305	33	48	86	488	73	290	1,297
2,728	385	43	69	78	546	68	274	1,265
2,842	344	85	80	92	577	71	315	1,278
2,788	328	105	44	101	530	70	344	1,265
2,856	302	132	38	87	522	73	378	1,325
3,220	310	190	40	120	600	70	440	1,450
3,219	289	164	43	103	619	75	492	1,434
3,301	283	165	39	104	642	81	534	1,453
3,372	279	166	35	105	666	86	562	1,472
3,432	277	167	32	105	691	89	578	1,493
3,481	274	167	29	106	714	91	584	1,516
3,549	272	167	27	106	736	93	602	1,546
3,619	271	168	25	106	757	94	622	1,576
3,674	269	167	24	107	778	95	637	1,598
3,719	267	167	23	107	797	95	644	1,619
3,777	265	167	22	107	815	96	658	1,647
3,826	264	167	21	107	832	96	664	1,675
3,871	262	167	19	107	848	96	675	1,696
3,916	260	167	17	107	863	96	683	1,723
3,966	259	168	14	107	877	96	694	1,752
4,011	257	168	12	107	891	96	701	1,781
4,046	255	168	9	107	904	96	697	1,810
4,078	253	168	7	107	915	96	696	1,836
4,102	252	167	4	107	926	96	686	1,865

millions of  
2002 dollars

### Real Taxable Retail Sales

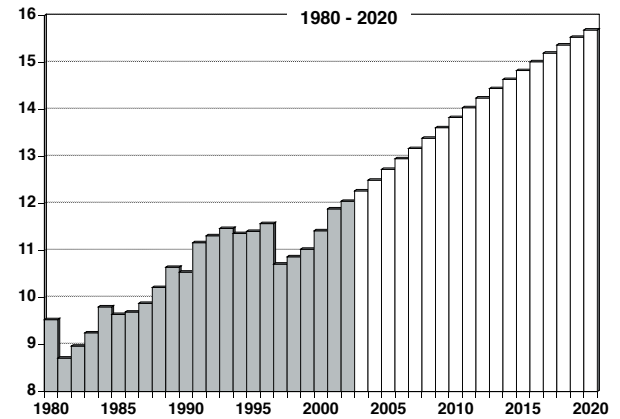
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

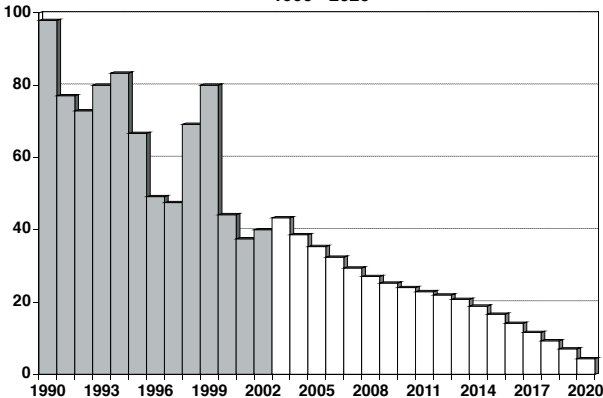
1980 - 2020



jobs

### Employment in Manufacturing

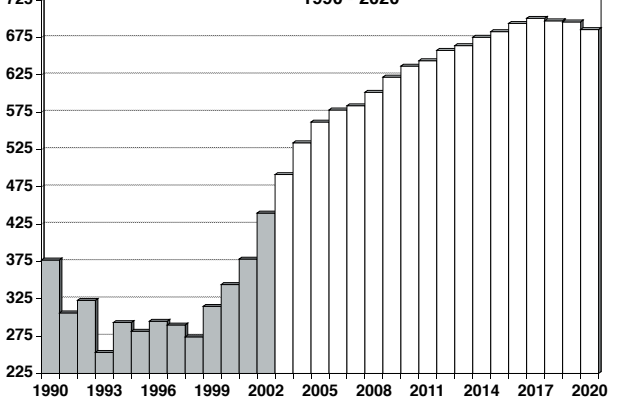
1990 - 2020



jobs

### Employment in Services

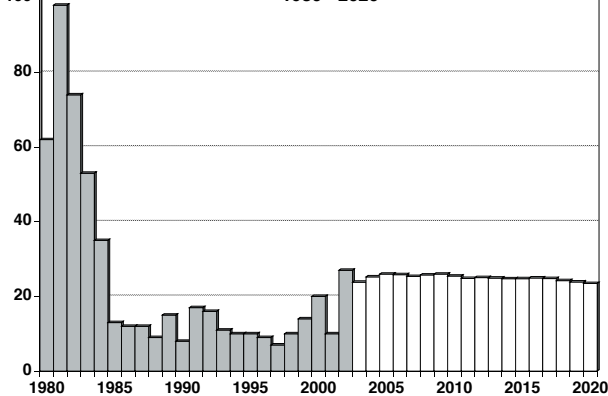
1990 - 2020



units  
permitted

### New Residential Units

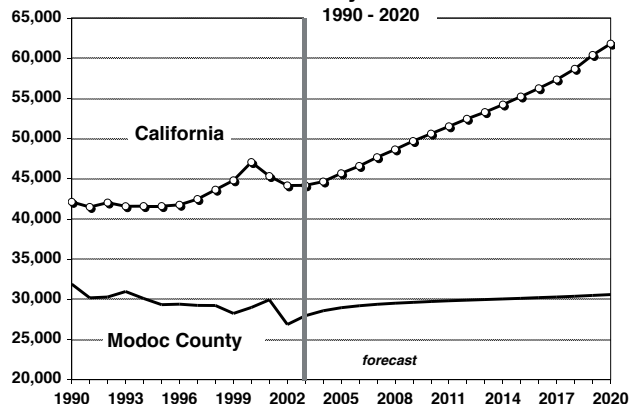
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Modoc County and California

1990 - 2020



# Mono County Economic Forecast

Mono County is centrally located on the eastern side of California. Transportation throughout the county is provided by an extensive road system. US Highways 6 and 395 run in a general north-south direction, while scenic byways and county roads traverse east-west within the county, connecting to state and national parks and historic sites. Mono is home to publicly-owned forests, parks and wilderness areas, including the Toiyabe National Wilderness, the Hoover Wilderness, Inyo National Forest, and parts of Yosemite National Park. The Mammoth Lakes and June Lake Loop resorts serve tourists year-round who have come to experience the outdoor attractions and wide-open spaces of Mono County.

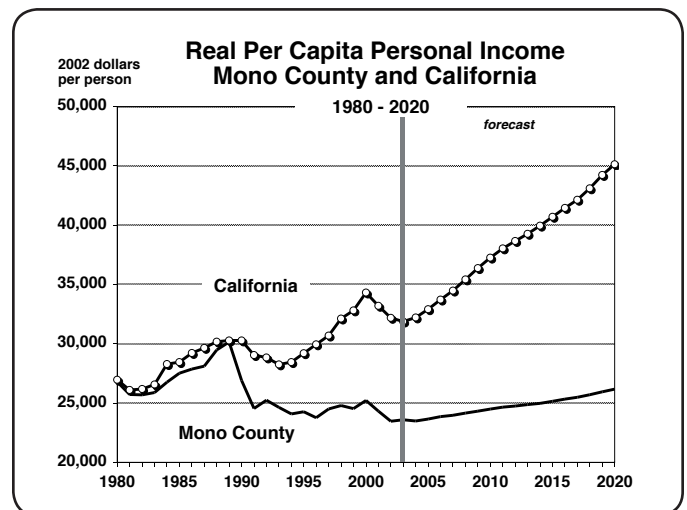
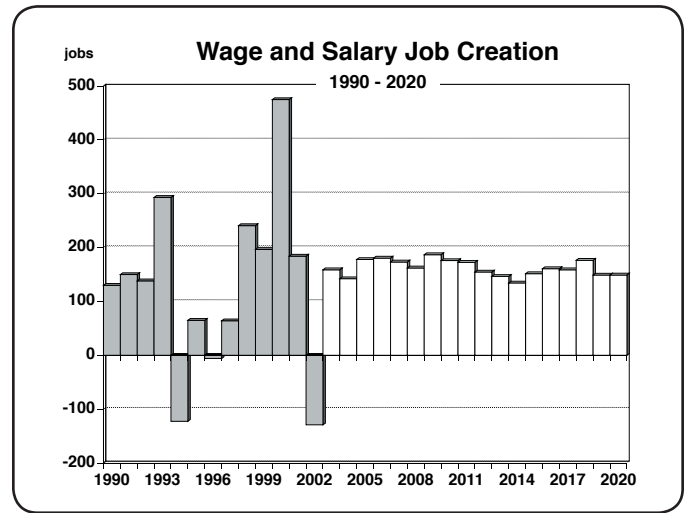
With close to 30 percent population growth during the ten-year period: 1990 to 2000, Mono County was the sixth fastest-growing county in California. However, the growth of population has slowed dramatically. The growth rate in Mammoth Lakes slowed to just 0.3 percent, with less than 300 new residents added to the population between 2001 and 2002.

In 2002, services was the largest industry in the county, accounting for 35 percent of total wage and salary employment. Within the services industry, jobs are primarily concentrated in the hotels and other lodging places sectors. Industry employment projections for the 2003-2008 period indicate that the services industry will increase by 500 jobs, or 23 percent, over the five-year period.

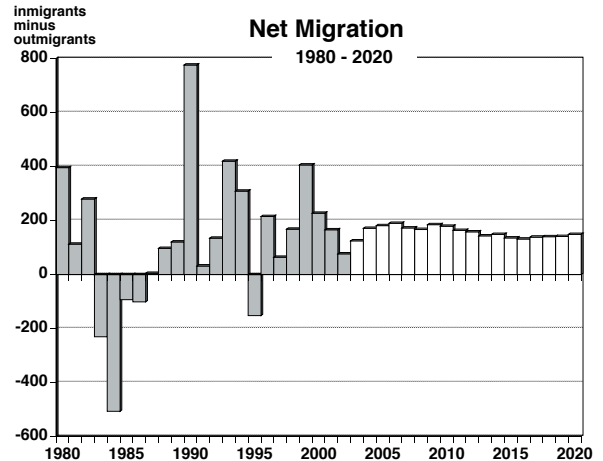
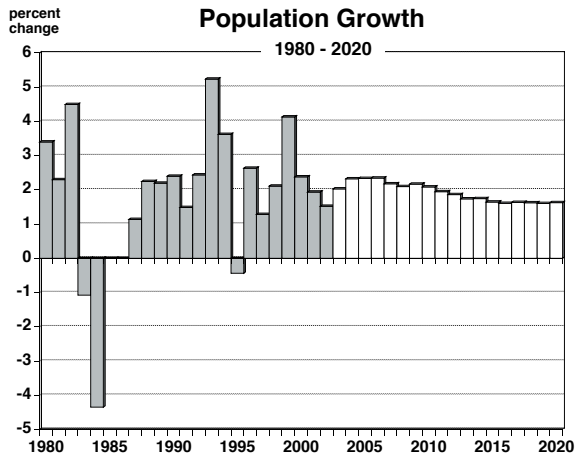
After retail trade, government is the third-largest industry in Mono County with 23 percent of the total employment, most of which is in the state and local government sector. The forecast calls for the government sector to increase by 200 jobs, or 14 percent between 2003 and 2008.

## Forecast Highlights

- Non-farm jobs increase 2.4 percent per year over the next 5 years. Services dominate job growth, averaging 4.0 percent growth per year through 2008.
- Inflation-adjusted per capita income is forecast to grow at an average rate of 0.5 percent over the next 5 years. Real (inflation-adjusted) total personal income grows an average of 2.7 percent per year.



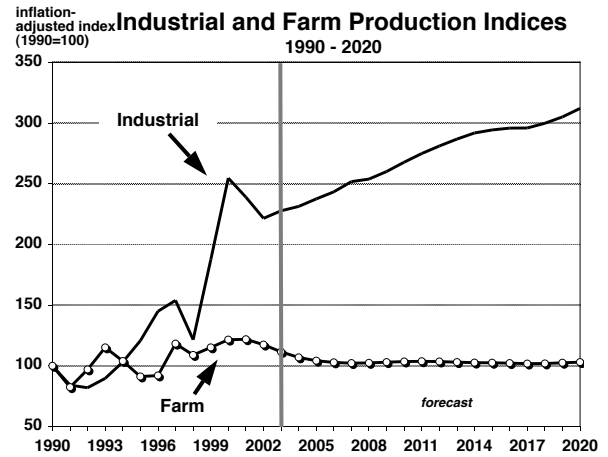
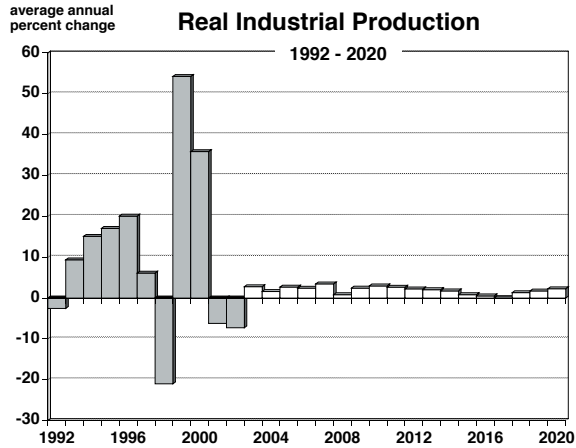
- Population growth is projected to rise 2.3 percent per year between 2003 and 2008. Growth in population is driven principally by the natural increase. However, net migration averages 170 people per year.
- An average of 225 homes are forecast to be permitted over the next 5 years. Between 1997 and 2002, an average of 178 new homes were permitted per year.
- The unemployment rate remains between 5.0 and 6.0 percent through 2010.



## Mono County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	11,400	-152	12.9	4.2	64	\$83.6	\$217.2	\$24,266	\$13.4	\$99.4
1996	11,700	215	13.2	4.2	82	\$87.0	\$223.4	\$23,767	\$13.8	\$119.3
1997	11,850	64	12.5	4.3	96	\$92.3	\$241.2	\$24,498	\$18.3	\$126.6
1998	12,100	168	13.1	4.3	115	\$94.4	\$257.2	\$24,790	\$17.4	\$100.0
1999	12,600	406	13.6	4.3	213	\$111.2	\$276.3	\$24,532	\$19.2	\$154.3
2000	12,900	227	14.8	5.1	244	\$126.2	\$303.7	\$25,218	\$21.2	\$209.6
2001	13,150	166	15.6	5.2	310	\$130.4	\$314.6	\$24,317	\$22.4	\$196.6
2002	13,350	77	16.0	5.3	92	\$134.0	\$313.3	\$23,467	\$21.9	\$182.3
2003	13,621	125	16.4	5.4	178	\$136.7	\$332.2	\$23,592	\$21.3	\$187.3
2004	13,937	171	16.8	5.4	236	\$140.7	\$347.9	\$23,490	\$21.0	\$190.3
2005	14,263	181	17.2	5.5	244	\$145.8	\$368.3	\$23,652	\$21.0	\$195.5
2006	14,597	190	17.6	5.5	238	\$151.8	\$390.5	\$23,855	\$21.3	\$200.2
2007	14,915	173	18.0	5.5	233	\$158.1	\$411.4	\$23,968	\$21.8	\$207.1
2008	15,228	167	18.4	5.6	222	\$165.0	\$434.3	\$24,153	\$22.4	\$208.9
2009	15,558	185	18.8	5.6	214	\$172.4	\$458.3	\$24,320	\$23.1	\$214.0
2010	15,882	179	19.2	5.7	204	\$180.5	\$484.3	\$24,493	\$23.8	\$220.3
2011	16,192	164	19.6	5.7	196	\$189.2	\$511.0	\$24,652	\$24.6	\$226.2
2012	16,493	158	20.0	5.7	193	\$198.1	\$537.5	\$24,750	\$25.2	\$231.3
2013	16,779	143	20.4	5.8	189	\$207.5	\$565.5	\$24,865	\$25.8	\$236.0
2014	17,072	149	20.8	5.8	187	\$216.8	\$593.9	\$24,978	\$26.5	\$240.2
2015	17,353	136	21.2	5.8	186	\$226.6	\$624.3	\$25,149	\$27.2	\$242.2
2016	17,632	132	21.6	5.9	181	\$237.0	\$656.9	\$25,328	\$27.9	\$243.5
2017	17,920	139	22.0	5.9	174	\$248.1	\$691.5	\$25,490	\$28.6	\$243.5
2018	18,211	140	22.4	5.9	165	\$259.7	\$728.7	\$25,704	\$29.4	\$246.7
2019	18,504	141	22.9	5.9	159	\$271.7	\$767.8	\$25,947	\$30.4	\$251.0
2020	18,805	149	23.3	6.0	157	\$284.1	\$807.9	\$26,177	\$31.3	\$256.8

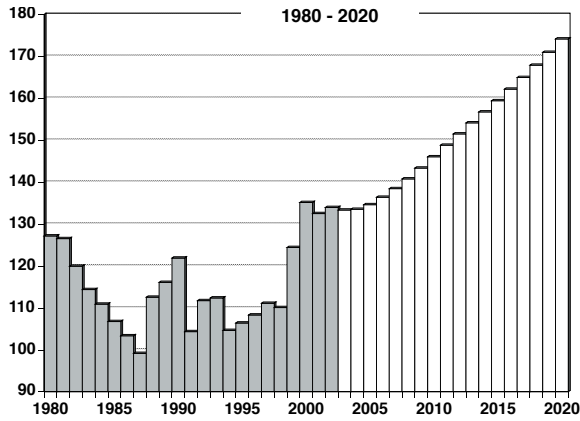


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
5,424	39	357	33	93	1,587	375	1,856	1,083
5,418	23	372	32	93	1,603	387	1,793	1,116
5,483	20	359	38	82	1,598	391	1,795	1,200
5,723	18	298	38	95	1,616	420	2,018	1,219
5,920	14	362	48	100	1,598	462	2,096	1,241
6,395	10	424	59	126	1,683	480	2,278	1,334
6,579	10	414	68	116	1,708	515	2,350	1,398
6,450	10	400	60	80	1,660	520	2,260	1,460
6,609	12	400	59	97	1,685	522	2,313	1,522
6,751	14	400	61	97	1,690	529	2,410	1,550
6,929	16	400	63	98	1,710	537	2,513	1,594
7,110	17	400	64	99	1,720	549	2,624	1,637
7,283	18	400	66	99	1,730	563	2,727	1,680
7,446	19	400	67	100	1,733	575	2,823	1,728
7,633	20	400	68	101	1,745	588	2,931	1,780
7,808	21	400	68	101	1,751	602	3,037	1,827
7,981	22	400	69	102	1,761	618	3,140	1,870
8,136	22	400	69	103	1,770	632	3,226	1,913
8,282	22	400	70	104	1,780	645	3,301	1,961
8,417	23	400	71	104	1,785	654	3,374	2,006
8,568	23	400	72	105	1,792	664	3,457	2,056
8,729	23	400	73	105	1,801	676	3,543	2,108
8,888	24	400	74	106	1,805	688	3,635	2,157
9,065	24	400	75	107	1,815	700	3,737	2,207
9,214	24	400	76	107	1,811	713	3,828	2,255
9,363	24	400	77	108	1,813	724	3,915	2,302

millions of  
2002 dollars

### Real Taxable Retail Sales

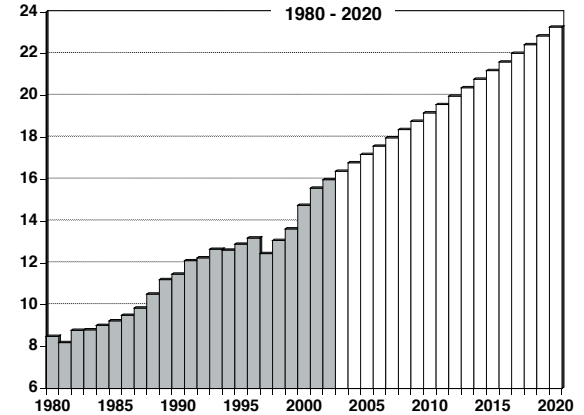
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

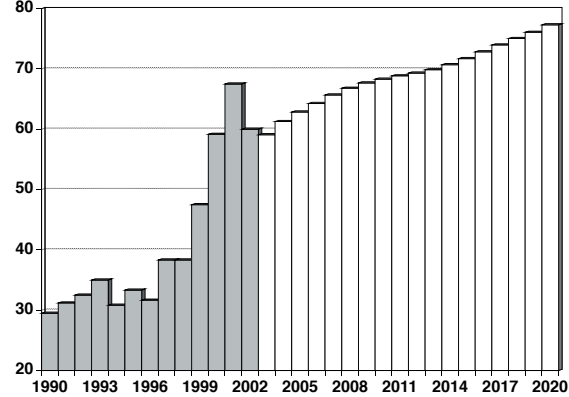
1980 - 2020



jobs

### Employment in Manufacturing

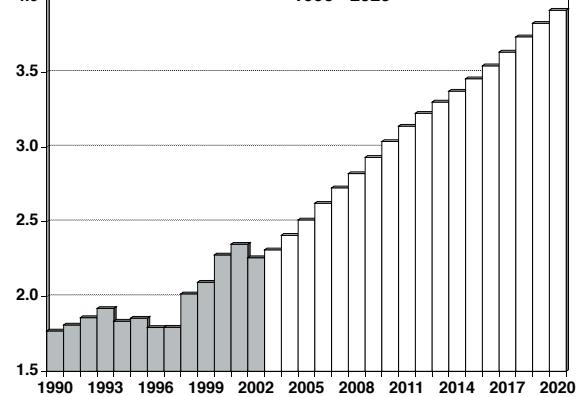
1990 - 2020



thousands of  
jobs

### Employment in Services

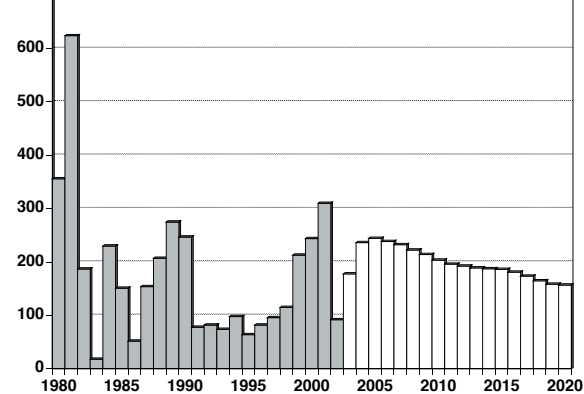
1990 - 2020



units  
permitted

### New Residential Units

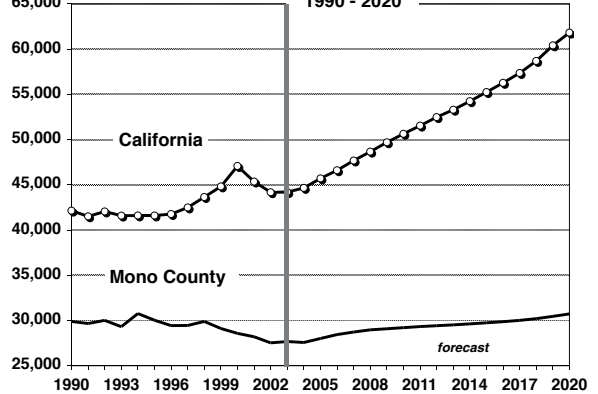
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Mono County and California

1990 - 2020



# Monterey County Economic Forecast

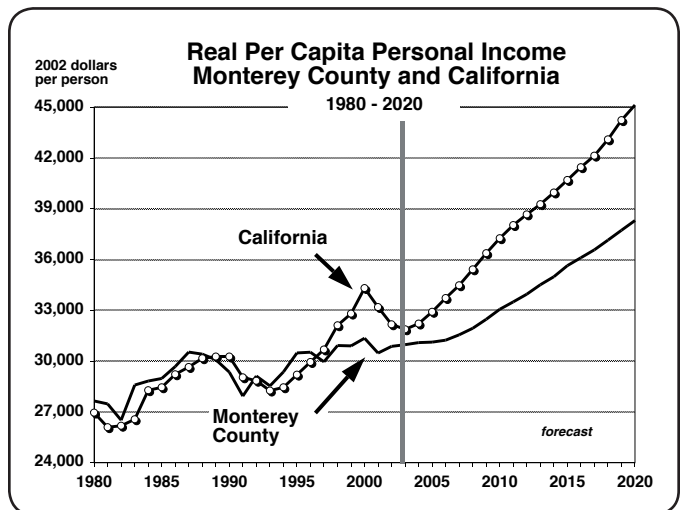
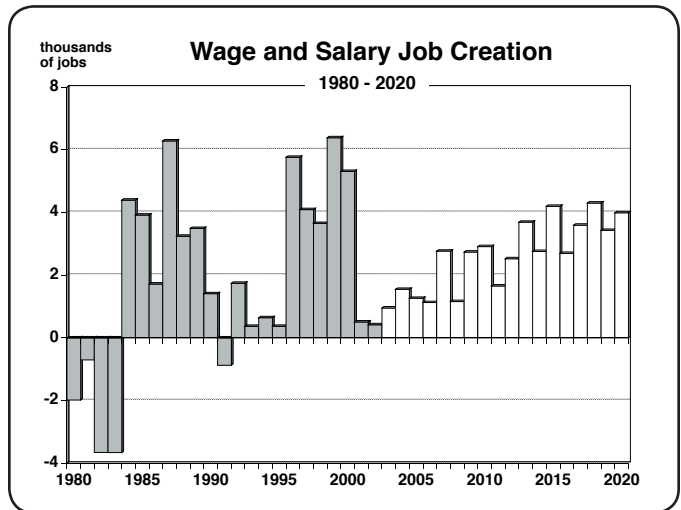
Monterey County is the third-highest farm-producing county in California and one of the nation's leading vegetable-producing areas. A very significant wine-grape region has evolved in the county as well, with wine production soaring in recent years. The county's tourism industry attracts business year-round in Monterey Bay. Big Sur, the Ventana Wilderness, and the Los Padres National Forest offer a variety of recreational and cultural activities. The city of Monterey is also home to the famous Monterey Bay Aquarium and the Monterey Bay Aquarium Research Institute, one of the largest marine research centers in the United States.

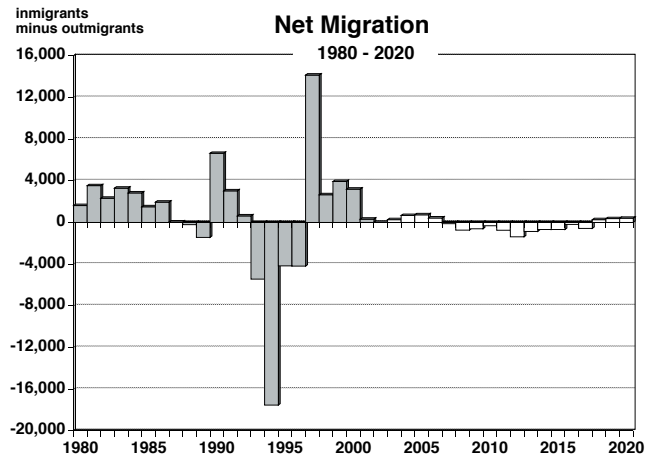
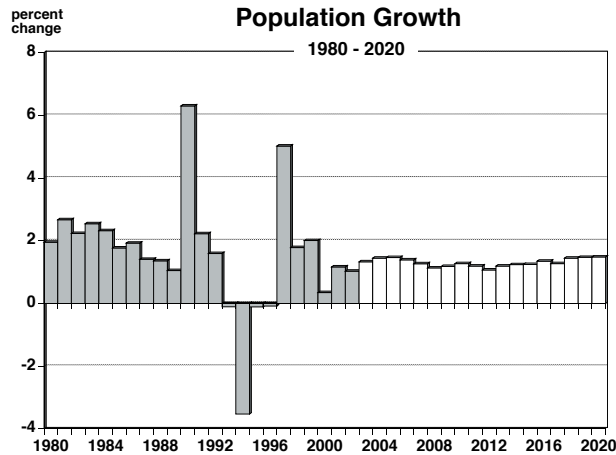
The population of Monterey County was estimated at 415,800 in January 2003. The largest city in the county, Salinas, grew in population to 150,300, an increase of almost 40 percent since 1992. Serving as the industrial, commercial, and residential hub of the Salinas Valley, the city of Salinas has become a regional trade center for California's Central Coast counties.

In 2002, the increase in wage and salary employment was insignificant, most of net increase coming from the farm sector. Farm jobs are not forecast to rise much in over the next several years, as more service and government jobs dominate future employment growth. Services is the largest sector with 24 percent of all wage and salary jobs. The sector is expected to remain the dominant engine of job growth for the next 5 to 10 years in the county, adding education, personal services, and healthcare jobs especially.

## Forecast Highlights

- Job growth is forecast to average 0.9 percent per year over the next 5 years. This is a significant deceleration from the average 2.1 percent rate of growth between 1997 and 2002. Slower job creation is forecast for the farm, service, and government sectors. However, the construction industry will continue to produce jobs at a faster pace than other sectors.
- The unemployment rate is expected to rise to 10.8 percent in 2003, and remains in the 10 to 11 percent range for the next 5 years.
- Population growth averaged 1.3 percent per year between 1997 and 2002. No change in the growth rate is forecast for the next 5 years: 2003-2008. Population growth is influenced more by the natural increase than by in-migration, which falls off to immaterial levels over the next 5 years due to the lack of housing. However, the number of births increases significantly in the county as the 20 to 29 age population increases more than 30 percent over the next 15 years.
- Real per capita income increased slightly in 2002. Forecasted growth will continue in 2003 and rise at an annual compound rate of growth of 0.6 percent between 2003 and 2008. Between 1997 and 2002, real per capita personal averaged the same 0.6 percent per year.





## Monterey County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	368,700	-4,167	271	112.6	1,323	\$2.2	\$8.8	\$30,488	\$2,029	\$1.6
1996	368,400	-4,197	277	113.5	1,496	\$2.4	\$9.0	\$30,527	\$1,933	\$1.7
1997	386,900	14,145	267	114.7	1,713	\$2.5	\$9.6	\$29,962	\$2,269	\$1.8
1998	393,800	2,662	285	116.3	1,178	\$2.7	\$10.4	\$30,921	\$2,295	\$1.8
1999	401,700	3,932	297	117.5	2,081	\$3.0	\$11.1	\$30,905	\$2,369	\$2.0
2000	403,100	3,197	310	120.9	1,702	\$3.3	\$11.8	\$31,358	\$3,013	\$2.0
2001	407,800	310	323	122.8	1,064	\$3.5	\$12.2	\$30,480	\$2,854	\$2.1
2002	412,000	20	330	123.9	1,205	\$3.5	\$12.7	\$30,871	\$3,131	\$2.0
2003	417,478	261	334	125.6	1,297	\$3.6	\$13.3	\$30,975	\$3,174	\$2.1
2004	423,510	667	339	127.2	1,443	\$3.7	\$13.9	\$31,094	\$3,229	\$2.1
2005	429,714	730	344	128.5	1,468	\$3.9	\$14.5	\$31,124	\$3,301	\$2.2
2006	435,700	424	350	129.8	1,505	\$4.2	\$15.1	\$31,241	\$3,406	\$2.3
2007	441,226	-119	355	131.2	1,606	\$4.4	\$15.9	\$31,552	\$3,478	\$2.3
2008	446,227	-741	361	132.2	1,570	\$4.6	\$16.7	\$31,945	\$3,597	\$2.3
2009	451,503	-614	367	133.5	1,684	\$4.9	\$17.6	\$32,472	\$3,702	\$2.4
2010	457,238	-315	373	134.7	1,685	\$5.2	\$18.7	\$33,061	\$3,795	\$2.4
2011	462,698	-751	379	135.6	1,598	\$5.5	\$19.7	\$33,504	\$3,942	\$2.5
2012	467,645	-1,388	385	136.7	1,600	\$5.8	\$20.8	\$33,954	\$4,116	\$2.6
2013	473,222	-867	392	137.9	1,618	\$6.2	\$22.0	\$34,515	\$4,265	\$2.6
2014	479,083	-685	399	138.9	1,521	\$6.5	\$23.2	\$34,989	\$4,437	\$2.7
2015	485,040	-684	406	140.1	1,557	\$6.8	\$24.6	\$35,639	\$4,566	\$2.7
2016	491,580	-195	413	141.0	1,451	\$7.2	\$25.9	\$36,110	\$4,748	\$2.8
2017	497,833	-576	420	142.0	1,441	\$7.6	\$27.4	\$36,576	\$4,947	\$2.8
2018	505,030	261	428	143.1	1,423	\$8.0	\$29.0	\$37,151	\$5,121	\$2.9
2019	512,456	365	435	144.0	1,310	\$8.4	\$30.7	\$37,730	\$5,333	\$2.9
2020	520,053	400	442	144.9	1,277	\$8.8	\$32.5	\$38,309	\$5,559	\$3.0

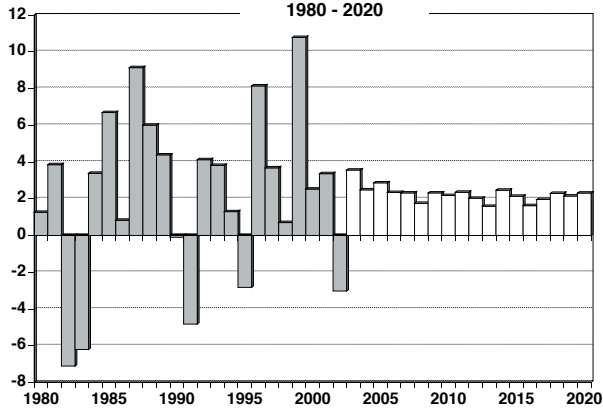
- The median home price in the county was \$439,021 in 2002. Adjusted for inflation, home prices are forecast to rise at an annual compound rate of 4.1 percent per year between 2003 and 2008.



average annual  
percent change

### Real Industrial Production

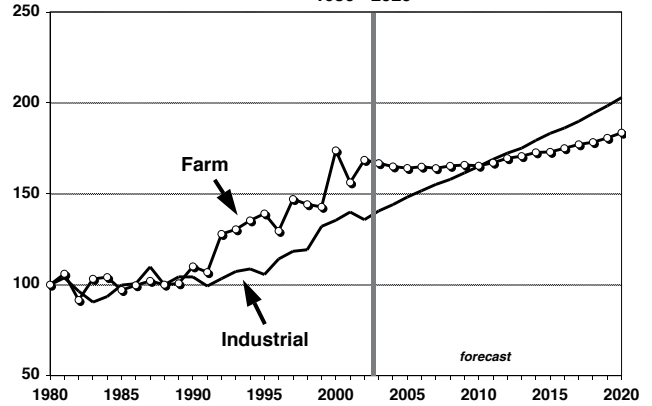
1980 - 2020



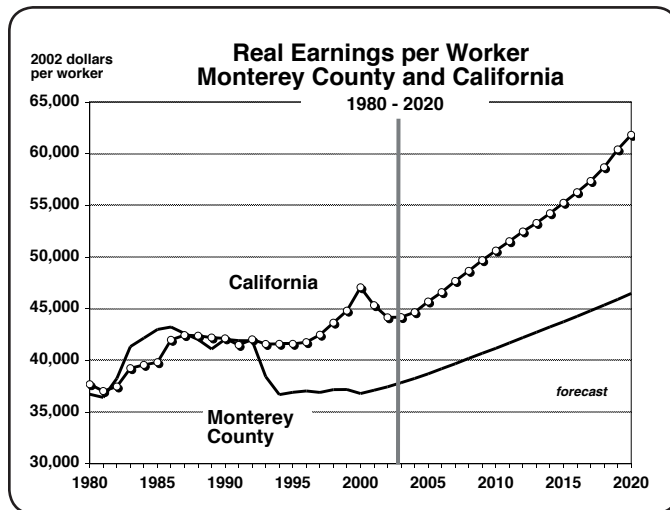
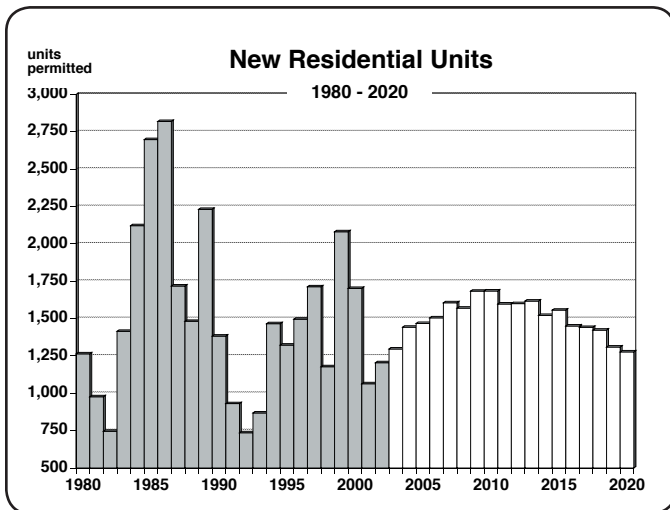
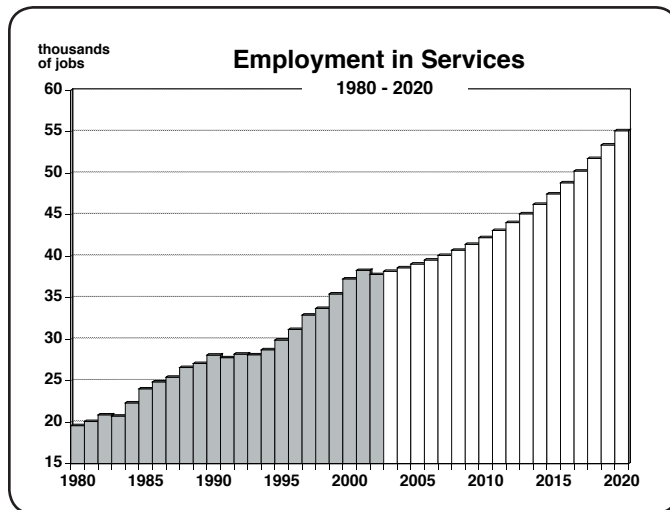
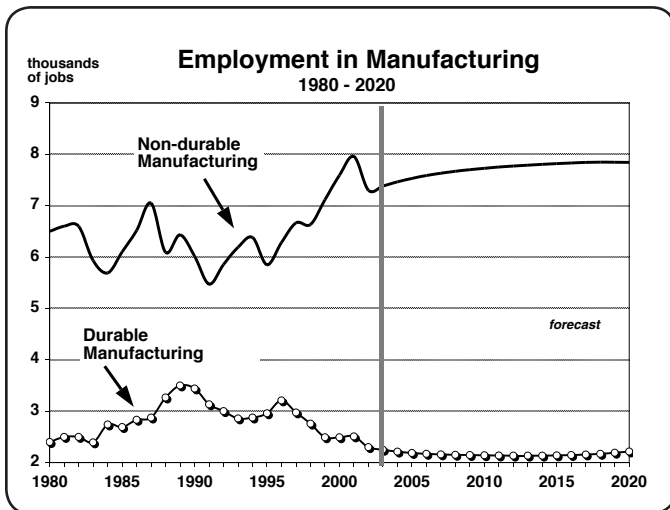
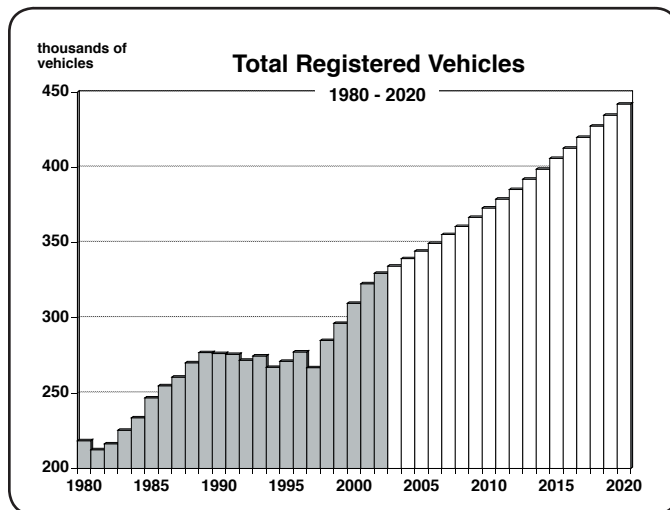
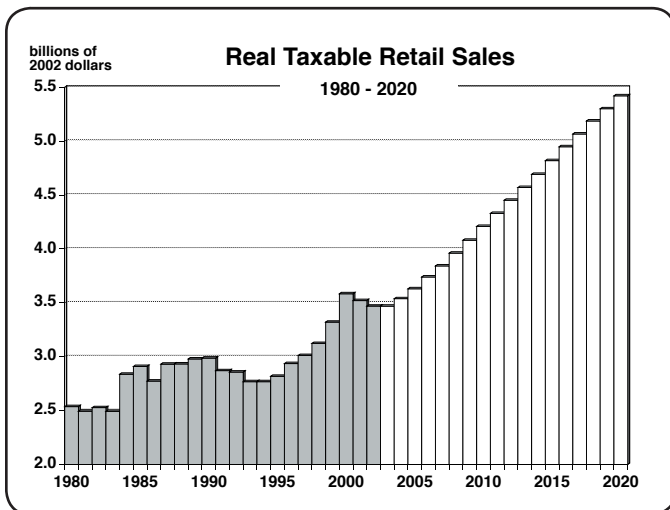
inflation-adjusted  
index (1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
141.2	31.9	3.9	0.1	8.8	5.0	29.3	6.4	29.9	25.8
146.9	33.4	4.2	0.1	9.5	5.3	30.5	6.1	31.2	26.7
151.0	33.5	4.6	0.1	9.6	5.4	31.0	5.9	32.9	28.1
154.7	33.5	5.5	0.1	9.4	5.4	31.8	6.1	33.7	29.2
161.1	35.6	6.1	0.1	9.6	5.2	33.1	6.2	35.5	29.8
166.4	36.9	6.4	0.1	10.1	5.1	33.6	6.6	37.3	30.4
166.9	34.6	6.7	0.2	10.5	5.1	34.4	6.7	38.3	30.4
167.3	35.4	6.6	0.2	9.6	5.1	34.6	6.7	37.8	31.3
168.3	34.5	6.8	0.3	9.6	5.1	35.1	6.8	38.2	31.9
169.8	34.4	7.0	0.3	9.7	5.1	35.5	6.8	38.6	32.4
171.1	33.9	7.2	0.3	9.7	5.1	36.0	6.9	39.1	33.0
172.2	33.1	7.3	0.3	9.8	5.1	36.6	7.0	39.6	33.5
175.0	33.8	7.5	0.3	9.8	5.1	37.2	7.1	40.1	34.2
176.1	32.8	7.6	0.3	9.8	5.0	37.8	7.1	40.7	34.8
178.8	33.3	7.8	0.3	9.8	5.0	38.5	7.2	41.4	35.5
181.8	33.7	7.9	0.3	9.9	5.0	39.2	7.3	42.2	36.2
183.4	32.8	7.9	0.3	9.9	5.0	40.0	7.3	43.1	37.0
185.9	32.5	8.0	0.3	9.9	5.0	40.8	7.4	44.1	37.9
189.6	33.3	8.0	0.3	9.9	5.0	41.7	7.5	45.1	38.9
192.4	32.9	8.1	0.3	9.9	5.0	42.5	7.5	46.3	39.8
196.6	33.9	8.1	0.3	10.0	5.0	43.4	7.6	47.5	40.9
199.3	33.1	8.1	0.3	10.0	5.0	44.3	7.7	48.8	42.0
202.9	33.2	8.1	0.3	10.0	5.0	45.2	7.7	50.3	43.1
207.2	33.7	8.2	0.3	10.0	5.0	46.1	7.8	51.8	44.3
210.6	33.3	8.2	0.3	10.0	5.0	47.0	7.8	53.4	45.6
214.6	33.3	8.2	0.3	10.1	5.0	48.0	7.8	55.1	46.9



# Napa County Economic Forecast

The county's most prominent geographic feature is the Napa Valley, one of the most productive and famous wine growing regions in the world and a popular tourist destination. The majority of Napa County is primarily agricultural due to the productive and successful wine-growing industry. However, another significant industry in Napa's future economy is wholesale and retail trade.

Non-farm employment grew 1.7 percent in 2002, a year in which employment was contracting in all other San Francisco Bay area counties. The principal sector of job growth was retail trade, which added 1,000 new jobs in 2002. Finance added 120 jobs, and Services contributed 250 new jobs.

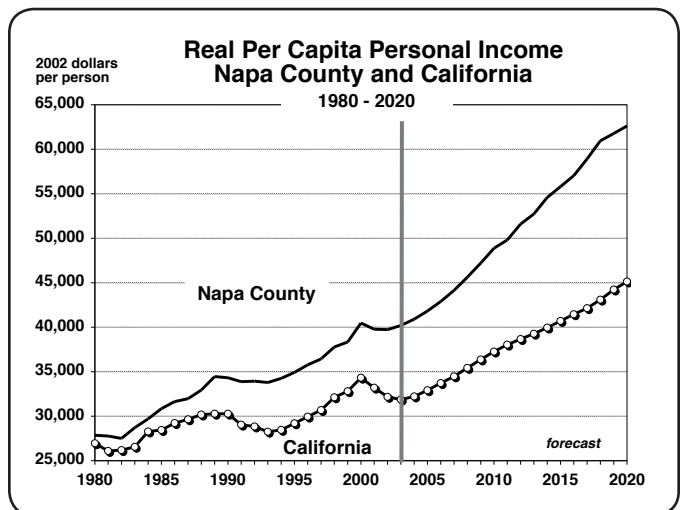
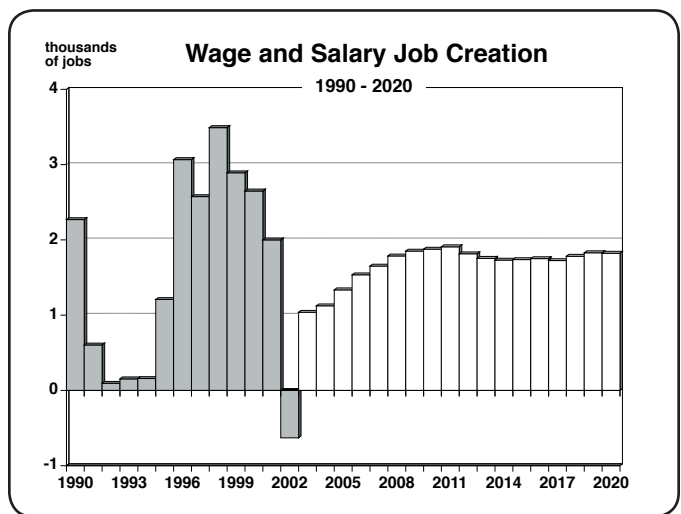
Two industry clusters vital to Napa County are the hospitality/tourism cluster and the food/beverages cluster. Because the fame of the Napa Valley wine region drives the economy in Napa County, these two clusters have been selected for economic development and training programs through a community planning process. Improvement in these two industry clusters would expand employment in hotels, amusement services, various general merchandise and specialty retail stores, food stores, and eating and drinking establishments.

Population growth has slowed considerably in the county. Napa, the largest city with 74,700 residents, grew a scant 0.7 percent between 2002 and 2003. Overall, the county's population grew just 1.3 percent in 2002. The fastest growing city is American Canyon.

The median home price for existing homes in Napa County was a relatively affordable \$276,650 in 2002. by mid-2003, median values for housing had jumped to \$400,000.

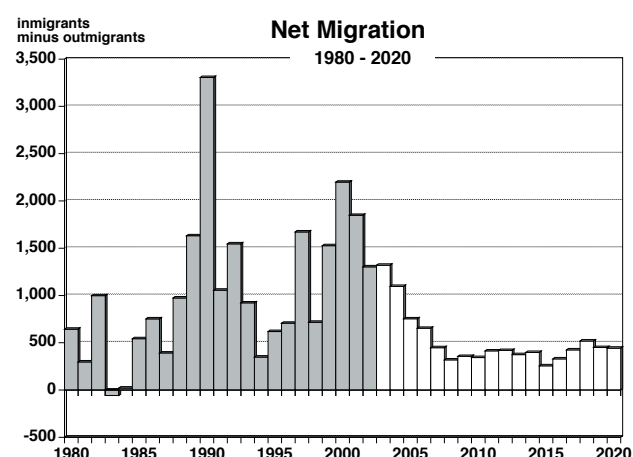
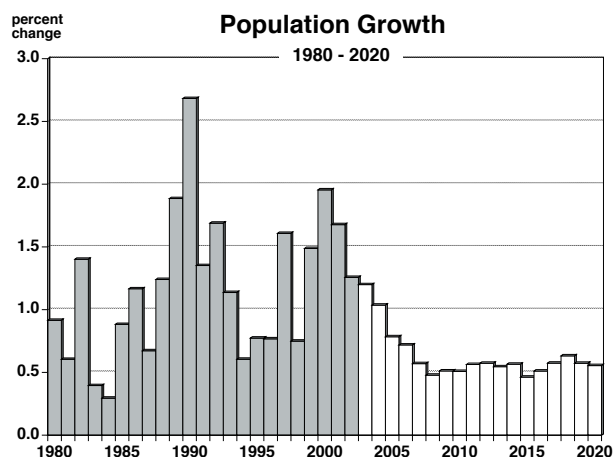
## Forecast Highlights

- Job creation is forecast to slow over the next 5 years as growth is muted throughout the Bay Area economy. However, labor markets in Napa County are still forecast to expand at the rate of 2.5 percent per year. Between 1,000 and 1,800 new jobs will be created per year in the county.
- Population growth continues to subside, averaging 0.72 percent per year over the next 5 years. Net immigrating population is not expected to return to the levels that prevailed during the Internet boom when



1,500 to 2,000 people moved into the county per year. Instead, net migration will fall to under 1,000 people per year by 2005.

- Nearly 1,200 residential units were permitted in the county in 2002, the largest amount of homes in any single year since 1977. Building is forecast to decline substantially, to 700 units in 2003 and 650 in 2004.
- Real per capita income in 2002 was \$41,800. It is forecast to rise an average of 2.5 percent per year for the next 5 years. This compares to the 2.8 percent rate of growth in real per capita income between 1997 and 2002.

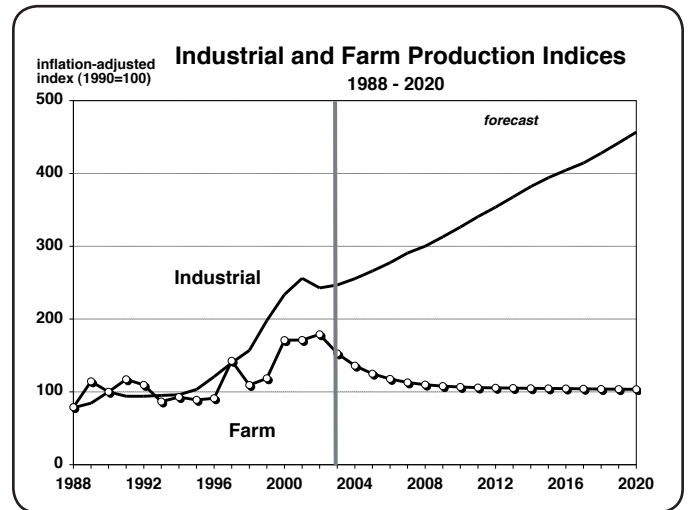
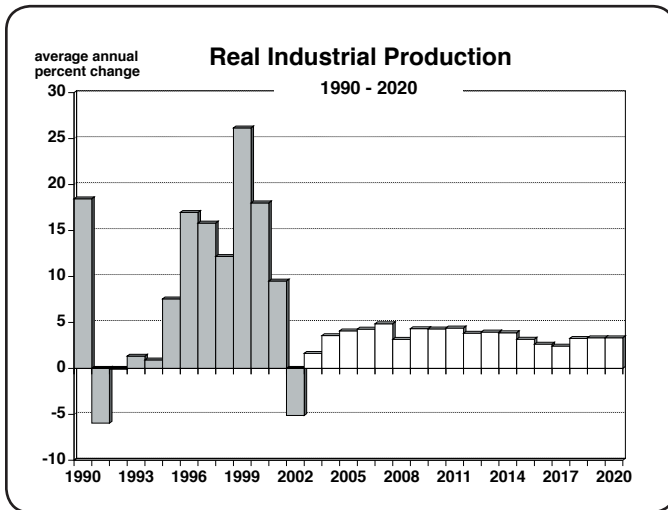


## Napa County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	117,300	619	110,812	44.0	316	\$0.7	\$3.2	\$34,924	\$150.4	\$1.2
1996	118,200	707	112,769	44.3	232	\$0.8	\$3.4	\$35,767	\$157.8	\$1.4
1997	120,100	1,672	108,149	44.6	350	\$0.8	\$3.6	\$36,433	\$255.2	\$1.6
1998	121,000	717	114,984	44.9	483	\$0.9	\$3.9	\$37,773	\$202.1	\$1.8
1999	122,800	1,527	118,050	45.2	720	\$1.1	\$4.2	\$38,338	\$228.1	\$2.2
2000	125,200	2,199	122,392	45.3	535	\$1.1	\$4.7	\$40,463	\$343.9	\$2.6
2001	127,300	1,848	126,775	45.8	907	\$1.2	\$5.0	\$39,770	\$362.7	\$2.9
2002	128,900	1,303	129,063	46.5	1,194	\$1.2	\$5.1	\$39,737	\$385.5	\$2.7
2003	130,446	1,320	131,621	46.5	719	\$1.2	\$5.4	\$40,199	\$337.4	\$2.8
2004	131,797	1,096	133,588	47.1	649	\$1.2	\$5.7	\$40,912	\$308.5	\$2.9
2005	132,830	754	135,776	47.5	723	\$1.3	\$6.0	\$41,818	\$291.1	\$3.0
2006	133,785	653	138,174	48.1	689	\$1.4	\$6.4	\$42,894	\$282.0	\$3.1
2007	134,547	448	140,740	48.7	712	\$1.4	\$6.8	\$44,148	\$277.4	\$3.3
2008	135,189	319	143,470	49.3	684	\$1.5	\$7.2	\$45,627	\$277.1	\$3.4
2009	135,881	356	146,285	49.8	682	\$1.6	\$7.7	\$47,203	\$279.4	\$3.5
2010	136,572	344	149,133	50.4	642	\$1.7	\$8.2	\$48,872	\$283.9	\$3.7
2011	137,341	414	151,988	50.9	639	\$1.8	\$8.7	\$49,809	\$289.9	\$3.8
2012	138,128	419	154,718	51.4	641	\$1.9	\$9.3	\$51,590	\$297.0	\$4.0
2013	138,881	375	157,363	51.9	648	\$2.0	\$9.9	\$52,731	\$304.9	\$4.1
2014	139,665	398	159,965	52.4	648	\$2.2	\$10.5	\$54,589	\$312.6	\$4.3
2015	140,311	256	162,577	52.9	649	\$2.3	\$11.1	\$55,798	\$320.5	\$4.4
2016	141,027	330	165,205	53.4	636	\$2.4	\$11.8	\$57,031	\$328.9	\$4.6
2017	141,836	425	167,858	53.9	598	\$2.6	\$12.6	\$58,925	\$337.7	\$4.7
2018	142,733	519	170,542	54.3	567	\$2.7	\$13.5	\$60,951	\$346.2	\$4.8
2019	143,551	450	173,288	54.7	558	\$2.9	\$14.1	\$61,781	\$354.8	\$5.0
2020	144,347	443	175,976	55.1	550	\$3.1	\$14.7	\$62,627	\$363.9	\$5.2

- Real home prices are projected to increase an average of 4.4 percent per year over the next 5 years. During the 1997-2002 period, the average appreciation rate in home prices was 8 percent per year.

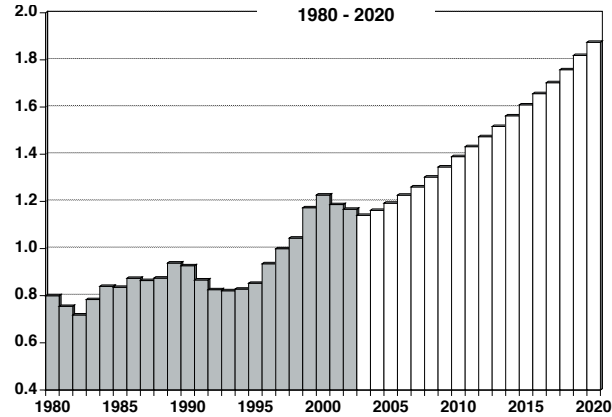


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
47.3	3.6	1.6	7.1	1.5	9.6	1.9	13.9	8.1
50.4	3.8	1.8	7.7	1.6	10.8	1.9	14.5	8.4
53.0	4.2	2.1	8.0	1.7	11.2	2.0	15.4	8.5
56.4	4.4	2.5	9.2	1.7	11.4	2.2	16.4	8.6
59.3	4.4	2.7	10.0	1.6	11.9	2.4	17.4	9.0
62.0	4.9	3.1	10.6	1.5	12.0	2.3	18.1	9.5
64.0	5.4	3.8	10.6	1.6	12.1	2.4	18.4	9.7
63.4	3.8	3.4	10.8	1.6	13.2	2.5	18.6	9.8
64.4	3.5	3.4	10.9	1.5	13.6	2.5	18.9	10.1
65.5	3.3	3.5	11.0	1.5	14.0	2.6	19.3	10.2
66.9	3.2	3.6	11.3	1.5	14.5	2.6	19.8	10.5
68.4	3.1	3.7	11.5	1.5	14.9	2.7	20.3	10.7
70.1	3.1	3.7	11.8	1.6	15.4	2.8	20.9	11.0
71.8	3.0	3.8	12.1	1.6	15.8	2.8	21.5	11.2
73.7	3.0	3.8	12.4	1.6	16.3	2.9	22.1	11.5
75.6	3.0	3.9	12.8	1.6	16.8	3.0	22.7	11.8
77.5	3.0	4.0	13.2	1.7	17.2	3.0	23.3	12.1
79.3	3.1	4.0	13.6	1.7	17.7	3.1	23.7	12.4
81.0	3.1	4.1	14.0	1.7	18.2	3.2	24.1	12.7
82.8	3.1	4.1	14.4	1.8	18.7	3.2	24.5	13.0
84.5	3.1	4.1	14.8	1.8	19.2	3.3	25.0	13.3
86.3	3.1	4.2	15.2	1.8	19.7	3.4	25.4	13.6
88.0	3.1	4.2	15.5	1.8	20.2	3.5	25.8	13.9
89.8	3.1	4.2	15.9	1.9	20.7	3.5	26.3	14.2
91.6	3.1	4.2	16.3	1.9	21.2	3.6	26.8	14.5
93.4	3.1	4.2	16.7	1.9	21.8	3.7	27.3	14.8

billions of  
2002 dollars

### Real Taxable Retail Sales

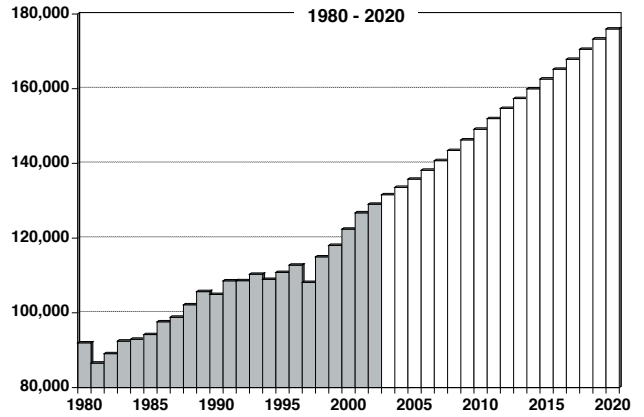
1980 - 2020



number of  
vehicles

### Total Registered Vehicles

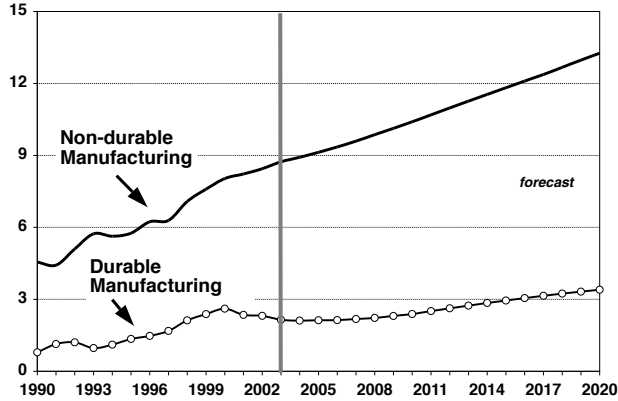
1980 - 2020



thousands  
of jobs

### Employment in Manufacturing

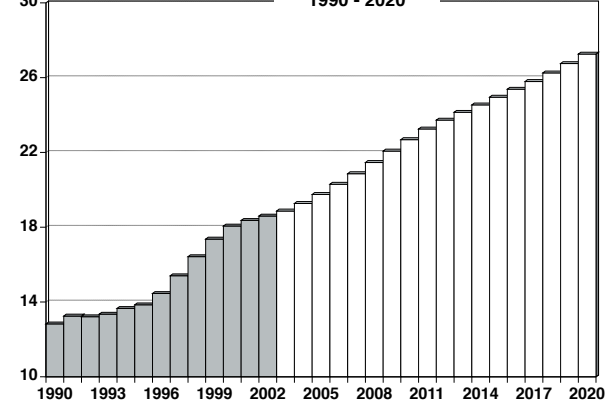
1990 - 2020



thousands  
of jobs

### Employment in Services

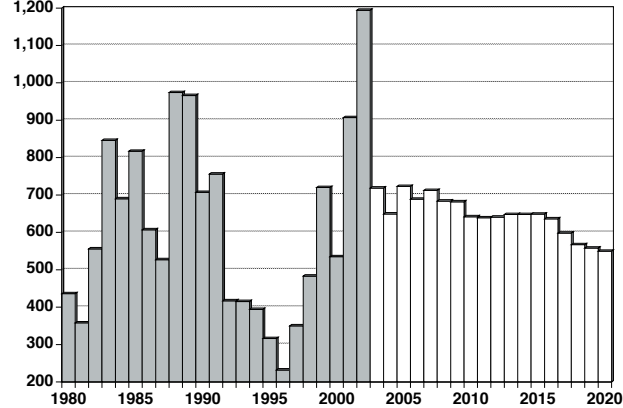
1990 - 2020



units  
permitted

### New Residential Units

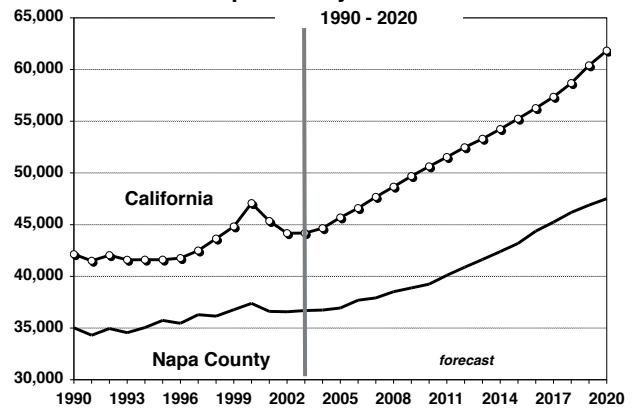
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Napa County and California

1990 - 2020



# Nevada County Economic Forecast

Located in the heart of California's Mother Lode country, Nevada County stretches from the eastern end of the Sacramento Valley, across the Sierra Nevada Mountains, to the state of Nevada. In January of 2003, Nevada County's population was estimated at 95,700 residents. The county seat, Nevada City, has a current population of 3,030.

The county's annual average unemployment rate was 4.5 percent in 2002, significantly lower than the state's rate of 6.6 percent. The county's unemployment rate has been lower than that of the state since 1989.

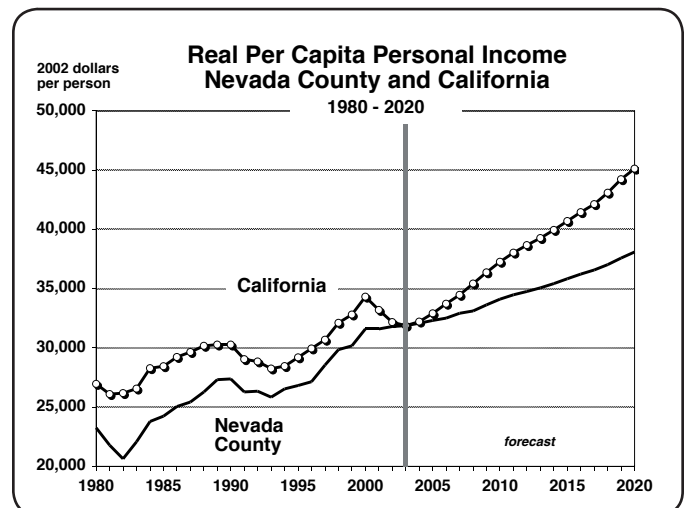
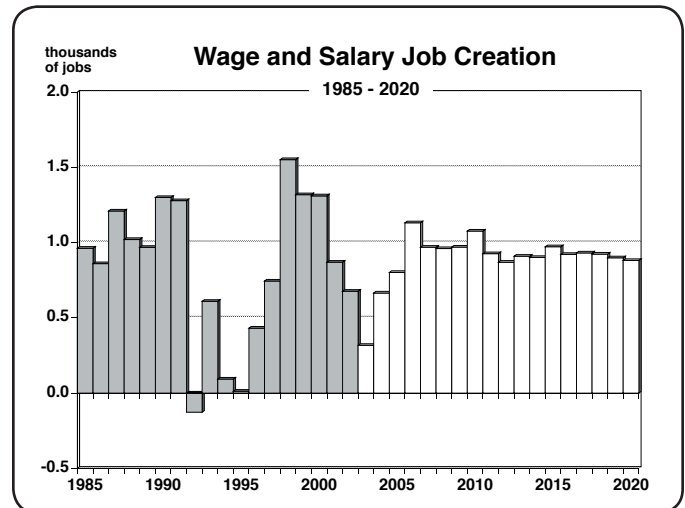
Services, retail trade, and government dominate Nevada County's current economic base. Services, the largest industry in the county, accounts for 32 percent of the total employment, and is projected to add 2,450 new jobs by the year 2008. Also significant industries, retail trade provides nearly 24 percent of all employment, while government makes up 20 percent of the total. Within government, the majority of jobs are in local education.

According to the employment projections, services, retail trade, and government will continue to dominate and will account for 90 percent of the total projected job growth (4,500) between now and 2008. The services sector is projected to have the fastest relative growth—averaging almost 4.6 percent per year.

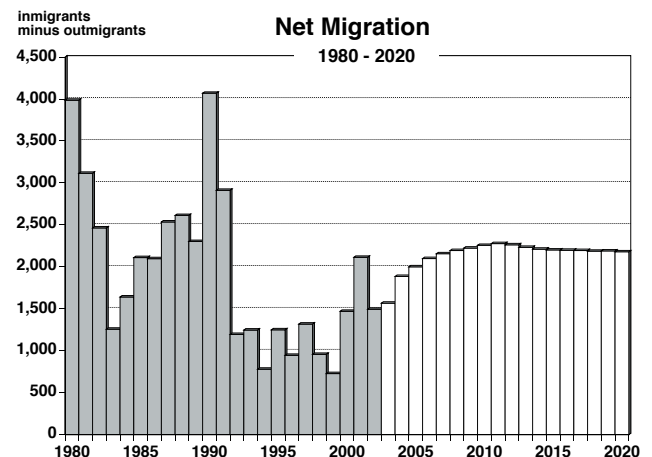
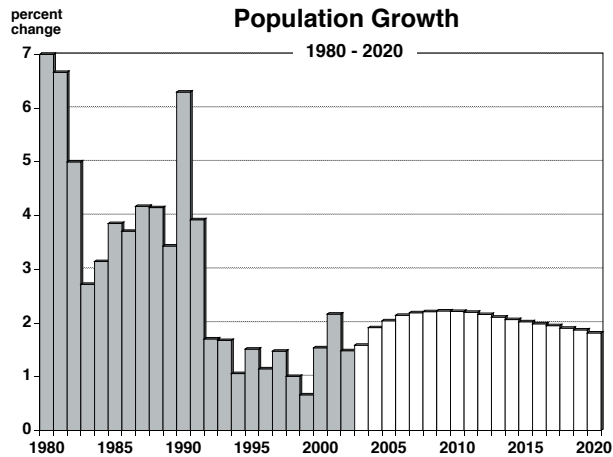
While the area is historically a mining and lumber community, Nevada County's economic base has diversified. Today many high-tech companies, hardware and software design firms, and development professionals call Nevada County home. The county now provides a wide range of new services, including data processing, control equipment, robotics, multi-media and digital video, and a variety of software design and development.

## Forecast Highlights

- Non-farm job growth averages 2.9 percent per year between 2003 and 2008. The dominant industry is services, following by the local government sector. More building in the County will increase the demand for construction jobs. Construction adds nearly 350 positions between 2002 and 2008.



- Inflation-adjusted per capita income rises an average of 0.8 percent per year over the next 5 years. At \$31,800 per person, per capita incomes in 2002 were high compared to surrounding counties.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 887 per year, slightly more than the 761 units built per year between 1997 and 2002 in Nevada County.



## Nevada County Economic Forecast

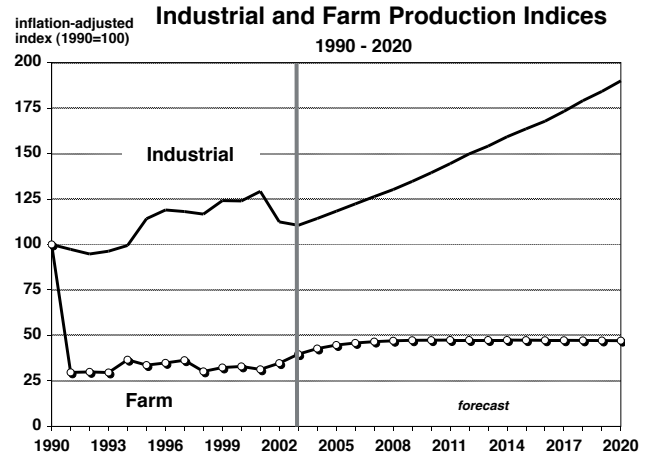
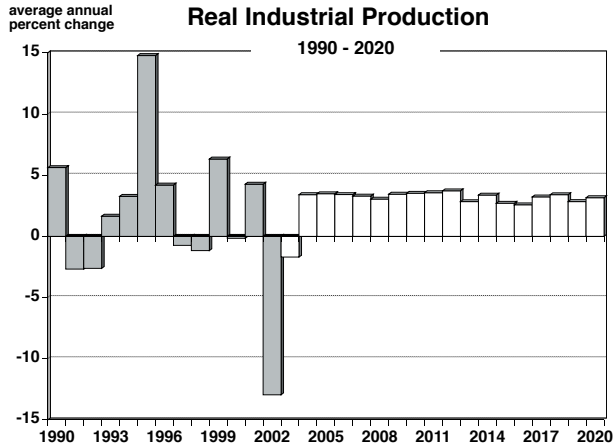
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	87,100	1,250	96	34.1	730	\$0.5	\$1.8	\$26,826	\$6.1	\$364
1996	88,100	946	99	34.5	599	\$0.5	\$1.9	\$27,148	\$6.5	\$380
1997	89,400	1,318	95	35.0	645	\$0.5	\$2.1	\$28,550	\$7.0	\$377
1998	90,300	958	102	35.4	668	\$0.5	\$2.3	\$29,855	\$6.0	\$372
1999	90,900	729	106	36.0	815	\$0.6	\$2.5	\$30,168	\$6.7	\$396
2000	92,300	1,471	112	36.7	847	\$0.7	\$2.7	\$31,601	\$7.1	\$395
2001	94,300	2,114	118	37.4	680	\$0.7	\$2.9	\$31,595	\$7.2	\$412
2002	95,700	1,495	121	38.0	912	\$0.7	\$3.0	\$31,800	\$8.1	\$359
2003	97,219	1,568	122	38.8	857	\$0.7	\$3.2	\$31,871	\$9.5	\$353
2004	99,080	1,887	126	39.5	867	\$0.8	\$3.4	\$32,084	\$10.5	\$365
2005	101,103	2,001	130	40.2	881	\$0.8	\$3.6	\$32,320	\$11.3	\$377
2006	103,271	2,099	135	41.0	896	\$0.9	\$3.8	\$32,515	\$12.0	\$390
2007	105,535	2,157	139	41.7	907	\$0.9	\$4.0	\$32,923	\$12.5	\$403
2008	107,870	2,195	144	42.5	914	\$1.0	\$4.3	\$33,113	\$13.0	\$415
2009	110,271	2,225	148	43.2	920	\$1.0	\$4.5	\$33,633	\$13.5	\$430
2010	112,716	2,257	153	44.0	924	\$1.1	\$4.9	\$34,116	\$13.9	\$445
2011	115,197	2,278	157	44.7	927	\$1.1	\$5.2	\$34,478	\$14.4	\$461
2012	117,686	2,263	162	45.5	926	\$1.2	\$5.5	\$34,761	\$14.8	\$478
2013	120,168	2,233	166	46.3	922	\$1.3	\$5.8	\$35,067	\$15.3	\$492
2014	122,648	2,210	170	47.0	918	\$1.3	\$6.2	\$35,425	\$15.7	\$508
2015	125,131	2,201	174	47.8	915	\$1.4	\$6.6	\$35,835	\$16.2	\$522
2016	127,617	2,198	178	48.6	914	\$1.5	\$7.0	\$36,230	\$16.7	\$535
2017	130,107	2,195	181	49.3	913	\$1.5	\$7.4	\$36,577	\$17.2	\$553
2018	132,584	2,187	185	50.1	911	\$1.6	\$7.9	\$37,024	\$17.7	\$571
2019	135,067	2,190	188	50.8	909	\$1.7	\$8.4	\$37,576	\$18.2	\$588
2020	137,520	2,180	191	51.6	906	\$1.8	\$9.0	\$38,093	\$18.7	\$606

- Population growth accelerates over the next 5 years, averaging 2.1 percent growth per year. This compares to the 1.4 percent average annual growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age co-

orts) and higher net migration due to the availability of housing, and the close proximity to Sacramento, are responsible for the higher rate of population growth projected during the decade.



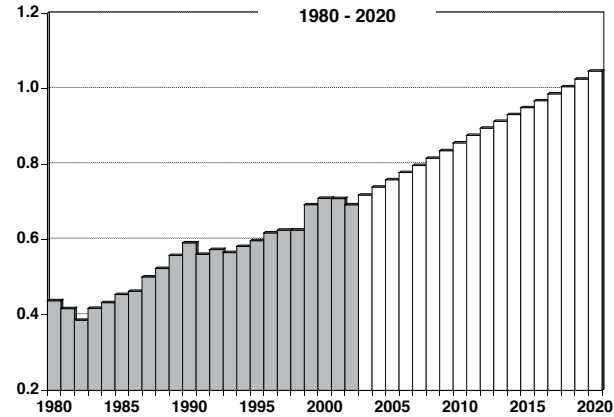


Total Wage & Salary	Farm	Construction	Mining	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----									
22,616	83	1,352	137	2,579	666	6,001	1,202	6,093	4,503
23,048	96	1,373	138	2,631	683	6,136	1,165	6,128	4,698
23,793	106	1,514	68	2,638	699	6,261	1,139	6,480	4,888
25,344	132	1,818	43	2,589	702	6,469	1,287	7,355	4,950
26,663	145	2,371	13	2,563	598	6,794	1,313	7,805	5,062
27,973	90	2,705	23	2,544	575	6,944	1,408	8,354	5,331
28,843	78	3,000	72	2,427	650	6,920	1,503	8,673	5,520
29,520	100	3,100	90	1,770	690	6,970	1,700	9,300	5,800
29,837	95	2,883	50	1,758	724	7,043	1,566	9,759	5,959
30,503	91	2,983	50	1,768	741	7,115	1,600	10,130	6,024
31,304	88	3,062	50	1,773	752	7,238	1,653	10,535	6,153
32,436	87	3,158	50	1,784	762	7,333	1,741	11,151	6,370
33,406	85	3,209	50	1,799	775	7,487	1,812	11,675	6,514
34,366	85	3,228	50	1,817	789	7,650	1,874	12,203	6,670
35,337	84	3,239	50	1,834	803	7,822	1,937	12,732	6,836
36,414	84	3,258	50	1,850	815	8,002	2,001	13,361	6,992
37,340	84	3,279	50	1,864	829	8,148	2,067	13,888	7,132
38,210	84	3,276	50	1,876	847	8,277	2,118	14,409	7,274
39,120	84	3,263	50	1,889	864	8,464	2,157	14,923	7,426
40,022	84	3,266	50	1,904	880	8,650	2,189	15,429	7,569
40,994	84	3,273	50	1,919	896	8,887	2,224	15,929	7,732
41,916	84	3,280	50	1,932	912	9,056	2,270	16,425	7,906
42,848	84	3,296	50	1,944	928	9,236	2,316	16,918	8,076
43,771	83	3,307	50	1,953	943	9,407	2,370	17,410	8,248
44,670	83	3,323	50	1,960	958	9,554	2,428	17,899	8,415
45,552	83	3,329	50	1,968	973	9,709	2,476	18,387	8,576

billions of  
2002 dollars

### Real Taxable Retail Sales

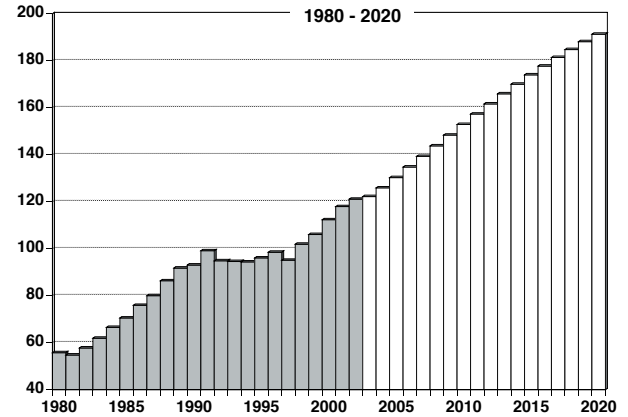
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

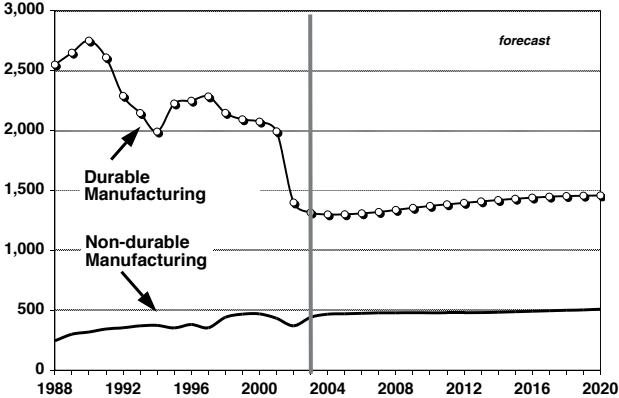
1980 - 2020



jobs

### Employment in Manufacturing

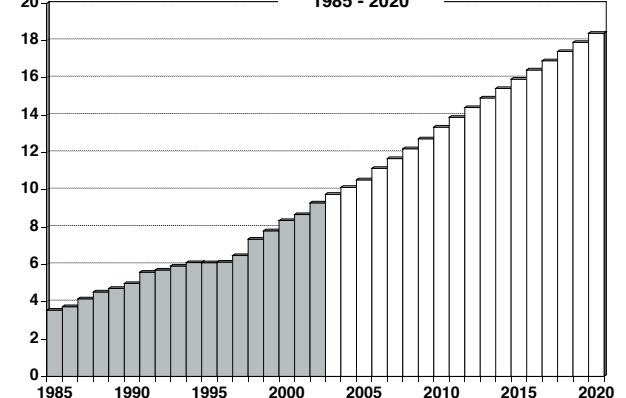
1988 - 2020



thousands of  
jobs

### Employment in Services

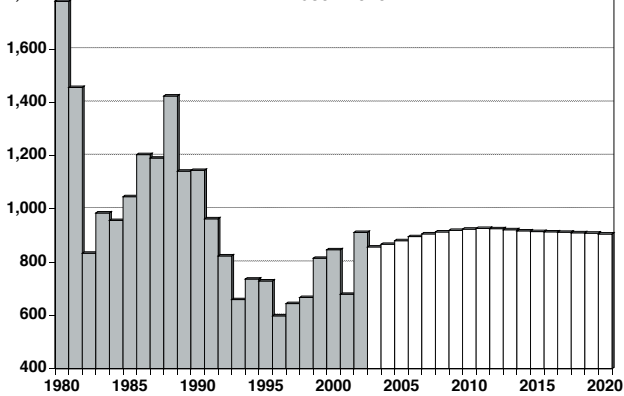
1985 - 2020



units  
permitted

### New Residential Units

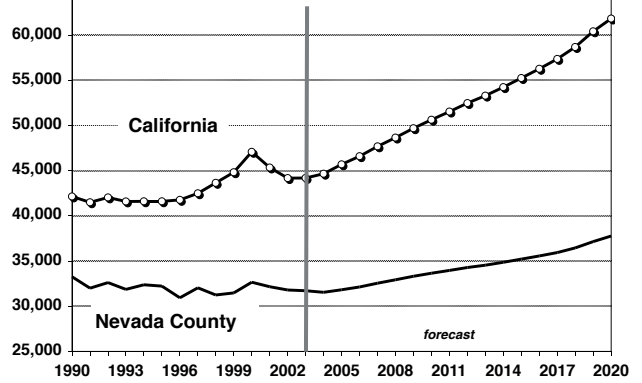
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Nevada County and California

1990 - 2020



# Orange County Economic Forecast

The Orange County economy has come into its own from the shadows of Los Angeles and San Diego, with a unique technological and business infrastructure. This is demonstrated by the diversity of industries represented--from medical devices to construction--as well as the intellectual resources to support this diversity. Yet despite the growth in the region, other issues and concerns have arisen in this post-suburban, post-dotcom era that could affect the region's success as a technology center.

Economic growth slowed significantly in 2002, and the unemployment rate rose to 4.1 percent (high by relative standards for Orange County). The fatigue that the county economy is currently showing has manifested in the following:

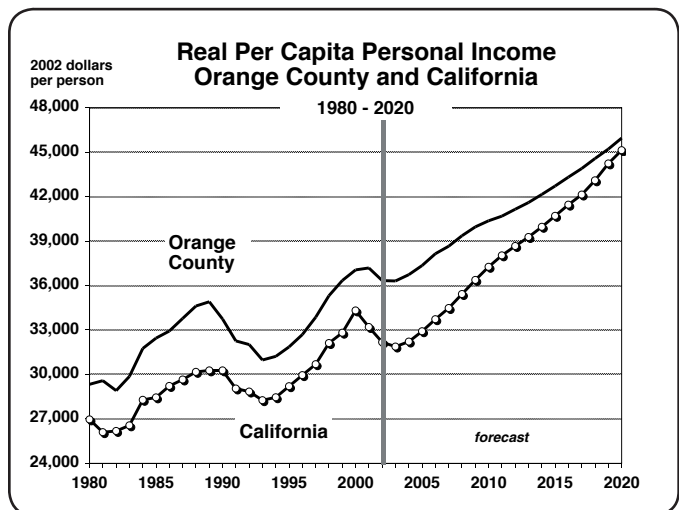
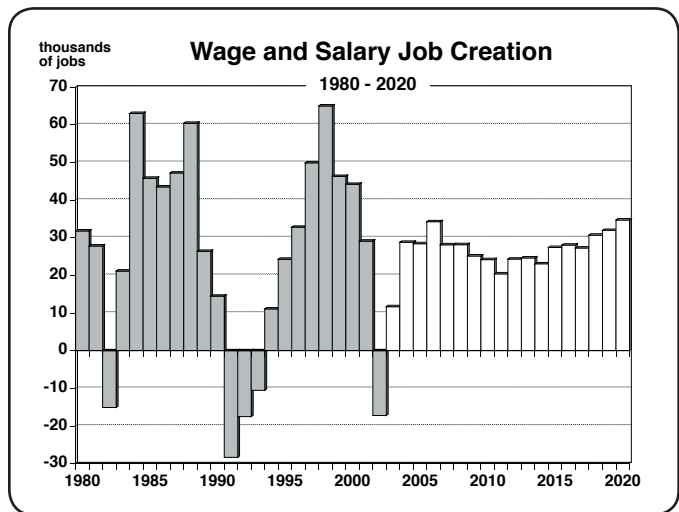
- The number of jobs is declining.
- Weekly earnings for factory workers are dropping faster than in neighboring regions.
- Bankruptcy filings are increasing.
- The rate of growth in home sales is slowing and may flatten after rising at a torrid pace for much of 2002.
- Technology and tourism have been affected by the weaker California economy more than adjacent counties, such as San Diego and the Inland Empire.
- The Angels and Disneyland have not been able to boost the economy enough.

Like Los Angeles in previous recessions, Orange County is now seeing high-paying manufacturing jobs relocating to neighboring regions such as the Inland Empire and to other states. This process is exacerbated by the county's high home prices. Low production levels of housing in the county like other coastal California Counties has elevated values, making affordability a major problem for workers.

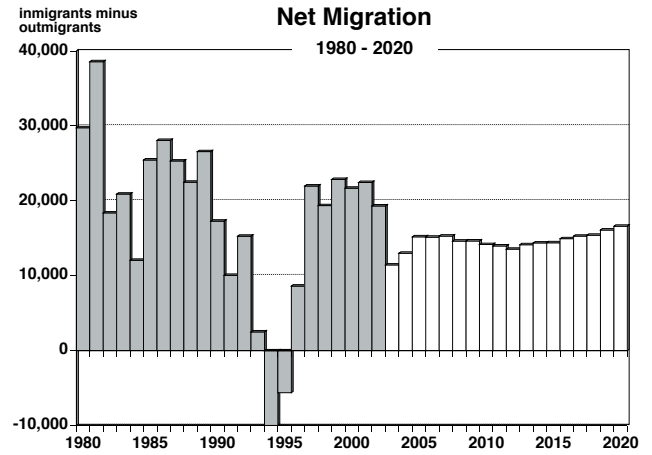
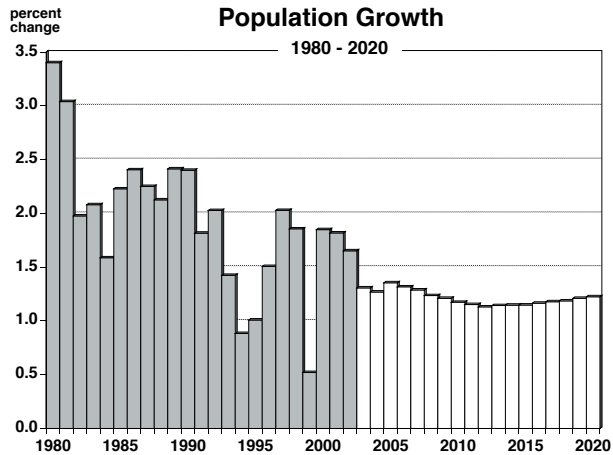
The forecast does include faster economic growth in 2004, but job growth and the production of housing remain contained.

## Forecast Highlights

- The unemployment rate begins to decline in 2004, averaging 3.7 percent.



- Non-farm employment growth averaged 2.6 percent per year from 1997 to 2002. Between 2003 and 2008, non-farm job growth is forecast to average 2.0 percent per year. Slower average growth of 1.3 percent per year is forecast beyond 2010.
- Average salaries, adjusted for inflation, rise 2.1 percent per year over the next 5 years. This rate of growth is higher than the 1.6 percent average that characterized the 1997 to 2002 period. Higher salaries are the result of the competitive advantage that existing residents, many of whom own homes, will have over new entrants into the local labor market who must find housing either for sale or for rent.



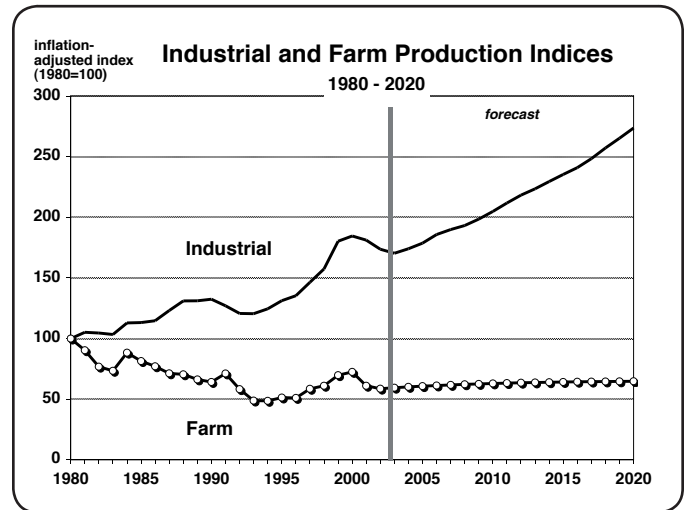
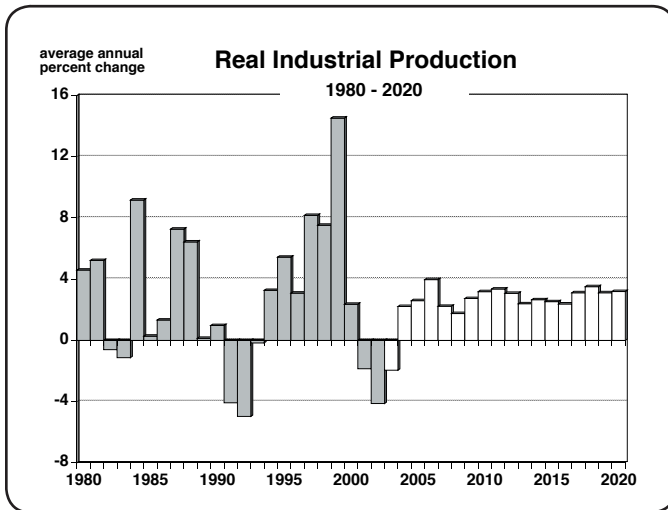
## Orange County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	2,643,300	-5,597	2,016	865	8,300	\$18.3	\$71.5	\$31,863	\$234	\$24.5
1996	2,683,100	8,641	2,060	875	10,207	\$19.5	\$75.7	\$32,693	\$237	\$25.2
1997	2,737,500	21,990	1,984	883	12,251	\$21.0	\$81.4	\$33,867	\$276	\$27.3
1998	2,788,300	19,373	2,118	893	10,101	\$22.5	\$87.7	\$35,316	\$292	\$29.3
1999	2,802,800	22,870	2,161	901	12,348	\$24.8	\$92.8	\$36,338	\$342	\$33.6
2000	2,854,600	21,704	2,245	933	12,367	\$27.5	\$99.6	\$37,056	\$366	\$34.4
2001	2,906,500	22,462	2,309	942	8,647	\$28.5	\$105.2	\$37,186	\$319	\$33.8
2002	2,954,500	19,335	2,335	952	11,815	\$29.1	\$107.3	\$36,331	\$315	\$32.4
2003	2,993,117	11,457	2,358	962	12,250	\$29.5	\$111.1	\$36,309	\$327	\$31.7
2004	3,031,088	13,024	2,373	971	10,670	\$30.9	\$116.7	\$36,731	\$339	\$32.4
2005	3,072,137	15,216	2,403	981	10,321	\$32.4	\$123.2	\$37,351	\$350	\$33.3
2006	3,112,584	15,160	2,426	990	10,330	\$34.1	\$130.6	\$38,146	\$362	\$34.6
2007	3,152,664	15,311	2,453	1,000	10,262	\$35.7	\$137.1	\$38,651	\$373	\$35.4
2008	3,191,602	14,640	2,483	1,009	10,192	\$37.4	\$144.5	\$39,358	\$385	\$36.0
2009	3,230,201	14,661	2,511	1,019	9,852	\$38.9	\$151.9	\$39,957	\$396	\$37.0
2010	3,268,085	14,183	2,534	1,027	9,662	\$40.6	\$159.1	\$40,368	\$408	\$38.2
2011	3,305,727	13,999	2,555	1,036	9,392	\$42.1	\$166.2	\$40,678	\$420	\$39.5
2012	3,343,077	13,561	2,579	1,045	9,587	\$44.0	\$174.4	\$41,147	\$433	\$40.7
2013	3,381,272	14,157	2,603	1,054	9,583	\$46.0	\$183.0	\$41,601	\$446	\$41.7
2014	3,420,046	14,392	2,628	1,062	9,501	\$48.0	\$192.1	\$42,151	\$458	\$42.8
2015	3,459,287	14,419	2,654	1,071	9,671	\$50.3	\$201.7	\$42,716	\$470	\$43.8
2016	3,499,570	14,959	2,679	1,080	9,684	\$52.7	\$212.0	\$43,313	\$483	\$44.9
2017	3,540,803	15,301	2,705	1,089	9,591	\$55.3	\$223.1	\$43,901	\$497	\$46.3
2018	3,582,803	15,420	2,732	1,097	9,741	\$58.1	\$235.0	\$44,574	\$511	\$47.9
2019	3,626,147	16,119	2,758	1,106	9,726	\$60.9	\$247.1	\$45,212	\$524	\$49.4
2020	3,670,544	16,620	2,786	1,115	9,795	\$64.0	\$260.0	\$45,949	\$537	\$51.0

- Income in general is likely to rise faster in Orange County than in neighboring Los Angeles County because the population is more affluent and the economic mix is slanted toward the higher paying biotechnology

and professional services jobs. Real per capita incomes rise 1.7 percent per year between 2003 and 2008. The growth of per capita income averages 1.3 percent per year between 2010 and 2020.



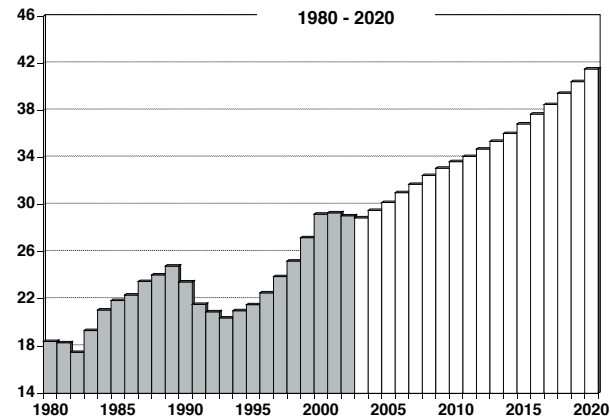
Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
1,158	6.3	49.8	0.9	205.5	42.4	291.6	84.9	348.6	128.2
1,191	6.7	52.5	0.9	211.2	42.8	298.6	86.9	361.7	129.7
1,241	6.9	58.1	0.9	222.4	44.4	309.9	92.9	372.7	132.7
1,306	6.6	65.5	0.9	231.7	46.3	322.5	100.4	395.6	136.4
1,352	7.0	73.8	0.7	229.4	48.6	331.5	104.2	415.9	141.1
1,396	7.6	77.6	0.6	230.5	50.9	339.7	105.8	437.1	146.6
1,426	7.1	80.4	0.6	225.2	52.3	348.9	111.8	448.3	150.9
1,408	5.2	83.0	0.7	212.2	50.6	345.0	114.6	443.0	154.0
1,420	5.5	82.4	0.7	203.5	49.3	353.9	115.4	456.6	152.6
1,449	5.7	84.0	0.7	201.7	50.2	362.9	117.0	471.7	154.8
1,477	5.9	85.2	0.8	200.0	51.0	372.0	119.4	484.5	158.3
1,512	6.1	86.9	0.8	201.3	52.8	381.7	122.0	497.0	163.0
1,540	6.2	87.8	0.8	199.4	54.1	391.4	124.4	507.2	168.2
1,568	6.3	88.2	0.8	197.5	55.3	401.4	126.8	518.8	172.6
1,593	6.4	88.4	0.8	196.8	56.7	411.2	129.2	527.0	176.5
1,617	6.5	88.6	0.8	197.2	58.2	420.6	131.2	534.2	179.9
1,638	6.5	88.9	0.8	197.7	59.8	429.6	133.0	538.4	183.0
1,662	6.6	89.1	0.8	198.0	61.0	438.5	134.9	547.6	185.5
1,687	6.6	89.3	0.8	198.4	62.0	447.6	136.9	556.2	188.9
1,710	6.6	89.6	0.8	198.3	62.9	456.7	139.1	563.9	191.7
1,737	6.7	90.0	0.8	199.1	64.0	466.3	141.3	574.6	194.3
1,765	6.7	90.4	0.8	199.9	65.1	476.4	143.6	585.4	196.8
1,792	6.7	90.8	0.7	200.8	66.3	486.7	146.1	594.9	199.4
1,823	6.7	91.4	0.7	201.3	67.7	497.7	148.6	606.9	202.0
1,855	6.7	91.7	0.7	201.9	69.4	509.3	151.3	619.4	204.7
1,890	6.7	91.9	0.7	202.9	70.7	521.6	154.2	633.6	207.6

- Home prices are forecast to cool off. The forecast rate of inflation-adjusted appreciation is 2.8 percent per year. This rate of appreciation is a major deceleration from the 8.7 percent per year that prevailed between 1997 and 2002.

billions of  
2002 dollars

### Real Taxable Retail Sales

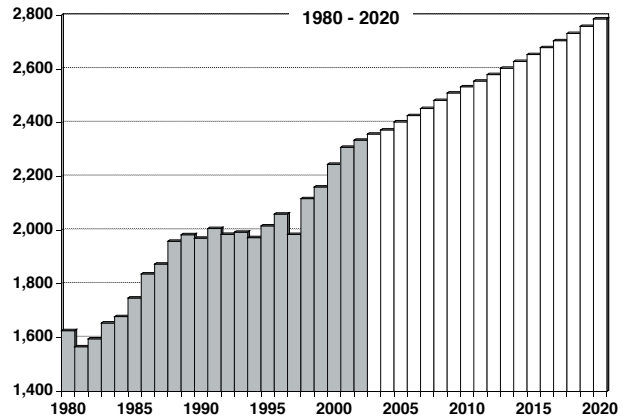
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

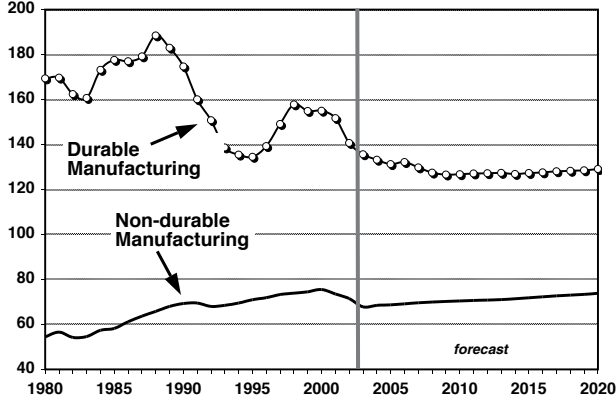
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

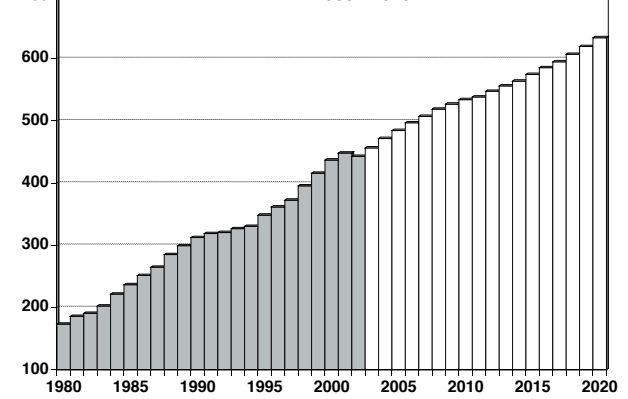
1980 - 2020



thousands of  
jobs

### Employment in Services

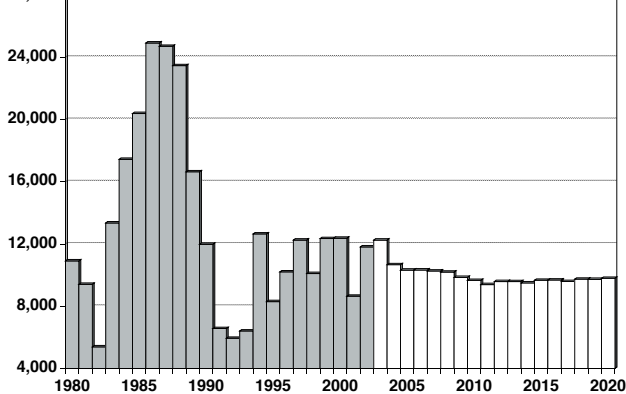
1980 - 2020



units  
permitted

### New Residential Units

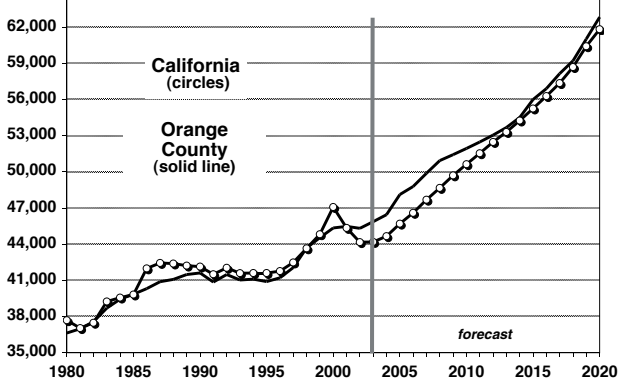
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Orange County and California

1980 - 2020



# Placer County Economic Forecast

Placer County, one of California's fastest growing counties, is characterized by high incomes and a technology-based economy. The attractions of the region, including comparatively affordable land and housing, as well as a superior quality of life, ushered in a decade of unprecedented expansion.

The growth of population has been prolific in Placer County over the last 12 years. The compound annual growth rate was 3.7 percent. The population has increased by 55 percent since 1990. There are few signs that growth is abating as housing production soars.

The south Placer County area is emerging as an important information technology center in the greater Sacramento region. Large computer components manufacturing firms as well as other smaller firms and related businesses have moved into the region, many of them companies that are relocating or expanding from the Bay Area. Technology employers are attracted to Placer County's quality of life, cost of housing, and recreational opportunities.

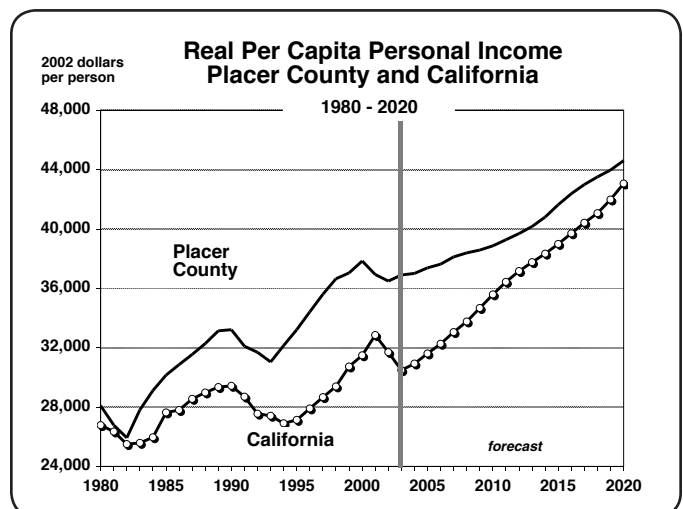
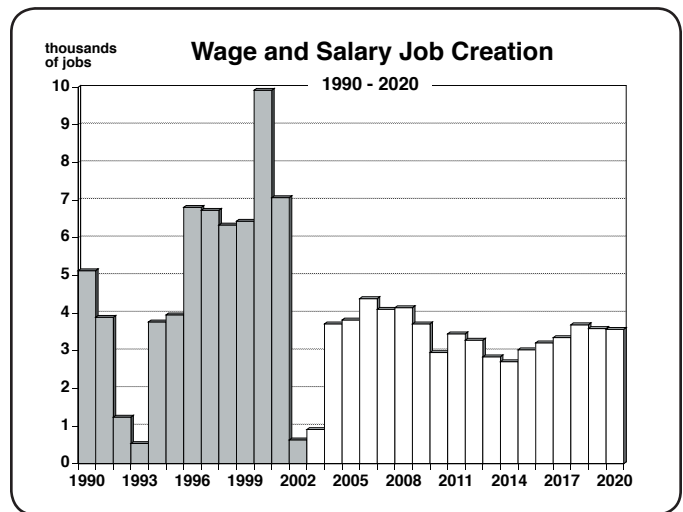
Placer County's diverse economy and geography encompasses North Lake Tahoe, where tourism is the primary economic activity, and South Placer in the Sacramento metropolitan area, where high technology sectors are the leading employers. Employment continues to increase in both of these sectors.

Manufacturing currently provides 12 percent of non-farm employment in Placer County. Manufacturing employment in Placer County has increased from 7,500 in 1990 to 11,400 in 2002. Most of this growth is due to expansion in manufacturing of electronic equipment. That sub-sector accounts for 60 percent of all manufacturing. Electronics, led by Hewlett-Packard and NEC, employs over 7,000 workers.

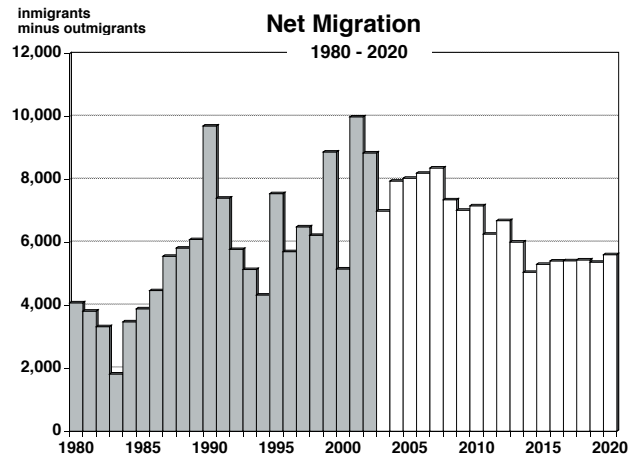
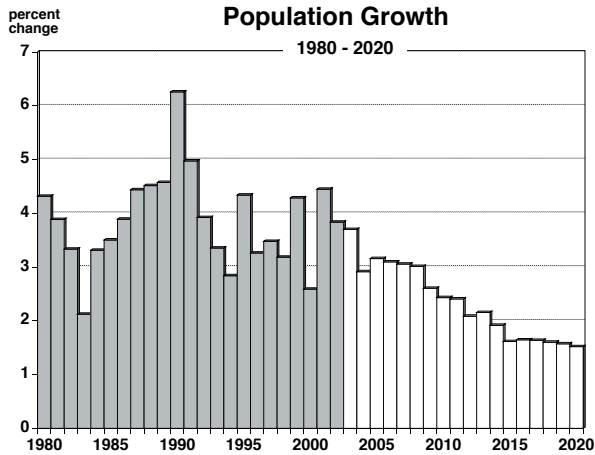
Employment in Squaw Valley, Northstar, and Alpine Meadows continues to grow to meet the demand of visitors who enjoy year-round activities.

## Forecast Highlights

- Job growth is forecast to average 3.2 percent per year between 2003 and 2008. An estimated 900 jobs will be created in the county in 2004.
- The unemployment rate averages 4.7 percent in 2004, and falls further each year for the remainder of the forecast period.



- The forecast for employment growth in services averages 4.9 percent per year between 2003 and 2008. Most of the jobs created in the county will be in the services sector, including professional, business and personal services. Older age populations will demand more services in healthcare.
- Population growth slows over the next 5 years. The compound annual forecast growth during the 2003 to 2008 period averages 3.0 percent per year, a reduction from the unsustainable 3.7 percent rate that prevailed in the region between 1997 and 2002.



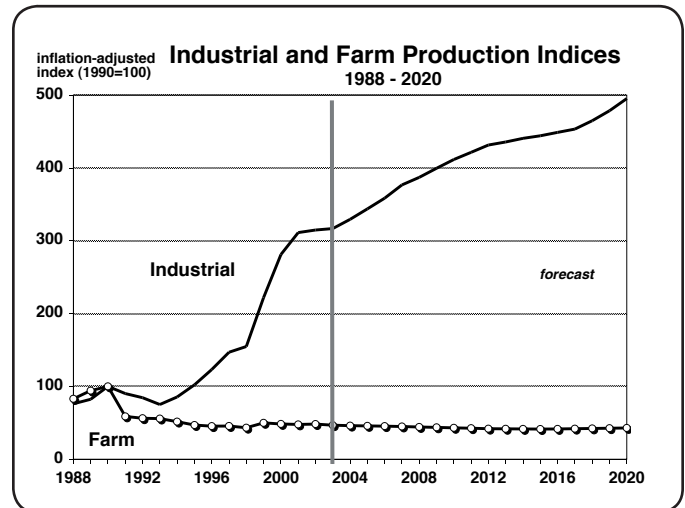
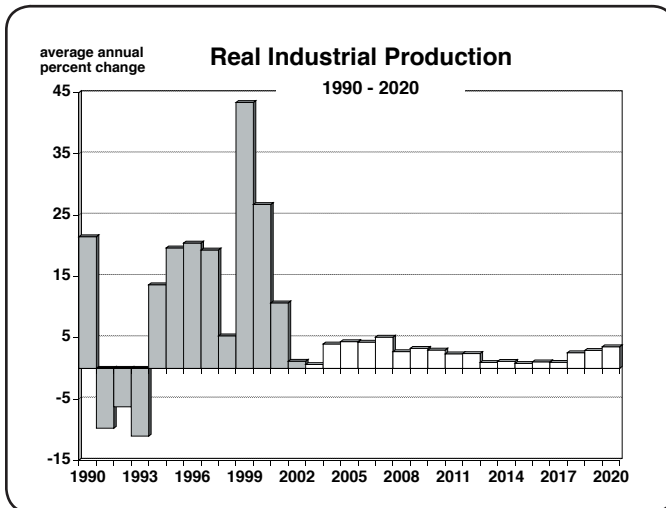
## Placer County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	211,600	7,554	212,023	74.9	2,574	\$1.8	\$5.5	\$33,227	\$48.3	\$2.6
1996	218,500	5,710	219,990	77.1	2,847	\$1.9	\$6.0	\$34,426	\$47.9	\$3.1
1997	226,100	6,498	214,709	79.6	3,837	\$2.1	\$6.7	\$35,609	\$49.7	\$3.7
1998	233,300	6,230	233,764	82.1	5,206	\$2.3	\$7.3	\$36,651	\$48.6	\$3.9
1999	243,300	8,877	246,046	85.9	4,896	\$2.8	\$8.1	\$37,046	\$58.4	\$5.6
2000	249,600	5,162	266,478	92.3	6,379	\$3.4	\$8.8	\$37,846	\$59.2	\$7.1
2001	260,700	9,994	287,780	96.8	5,974	\$3.8	\$9.5	\$36,939	\$61.6	\$7.8
2002	270,700	8,848	304,137	102.2	7,198	\$4.1	\$9.9	\$36,494	\$63.3	\$7.9
2003	280,716	7,001	316,454	108.5	6,680	\$4.4	\$10.6	\$36,903	\$62.9	\$7.9
2004	288,896	7,953	327,032	114.4	6,880	\$4.6	\$11.3	\$37,016	\$63.7	\$8.3
2005	298,022	8,044	334,011	120.4	7,054	\$4.9	\$12.1	\$37,392	\$64.9	\$8.6
2006	307,248	8,205	340,985	126.6	6,903	\$5.2	\$12.9	\$37,638	\$66.2	\$9.0
2007	316,638	8,369	347,991	132.6	6,943	\$5.4	\$13.8	\$38,125	\$67.1	\$9.5
2008	326,175	7,359	354,916	138.7	6,669	\$5.8	\$14.7	\$38,399	\$68.1	\$9.7
2009	334,673	7,027	361,719	144.5	6,542	\$6.1	\$15.5	\$38,590	\$69.0	\$10.0
2010	342,813	7,168	368,453	150.2	6,518	\$6.5	\$16.5	\$38,876	\$69.9	\$10.3
2011	351,066	6,269	375,002	155.9	6,394	\$6.9	\$17.5	\$39,284	\$71.0	\$10.6
2012	358,393	6,695	381,106	161.5	6,365	\$7.3	\$18.6	\$39,700	\$71.9	\$10.8
2013	366,120	6,016	386,369	167.1	6,023	\$7.7	\$19.8	\$40,179	\$73.7	\$10.9
2014	373,139	5,055	390,674	172.3	5,841	\$8.2	\$21.1	\$40,817	\$75.4	\$11.1
2015	379,165	5,308	394,411	177.4	5,664	\$8.7	\$22.4	\$41,647	\$77.3	\$11.1
2016	385,409	5,414	398,031	182.4	5,714	\$9.2	\$23.9	\$42,391	\$79.7	\$11.3
2017	391,718	5,421	401,591	187.4	5,597	\$9.8	\$25.3	\$43,010	\$82.5	\$11.4
2018	397,999	5,448	405,191	192.3	5,428	\$10.4	\$26.8	\$43,521	\$85.6	\$11.7
2019	404,263	5,376	408,800	197.0	5,273	\$11.0	\$28.3	\$43,982	\$88.7	\$12.0
2020	410,406	5,613	412,483	201.6	5,113	\$11.7	\$29.9	\$44,625	\$91.7	\$12.4

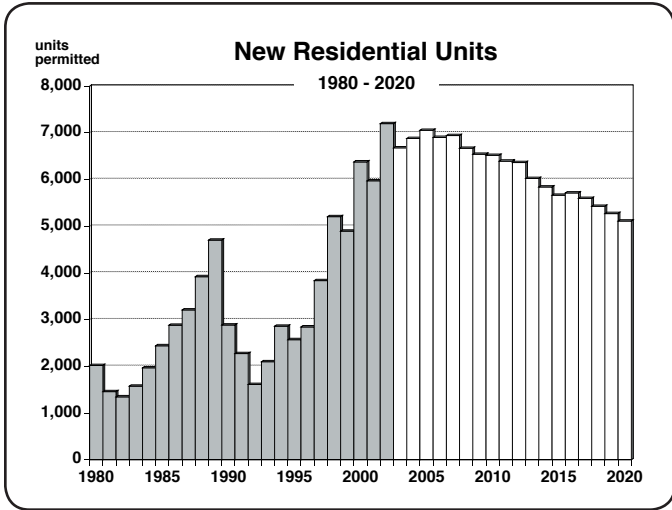
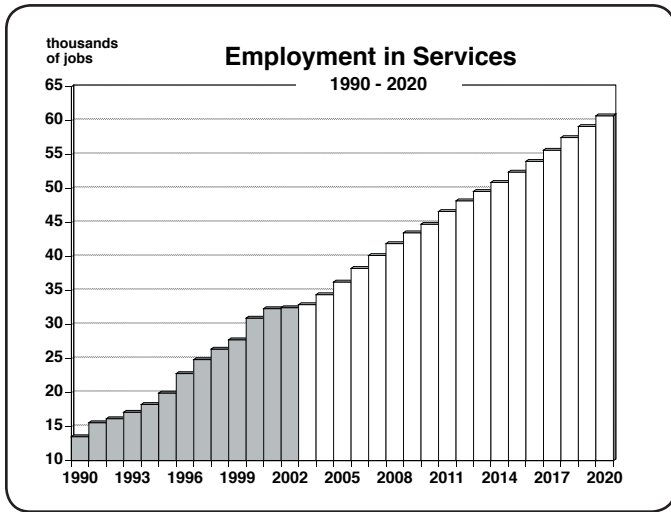
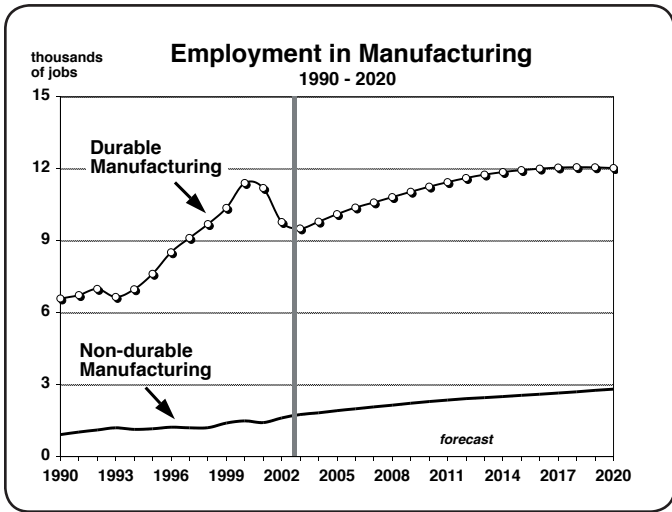
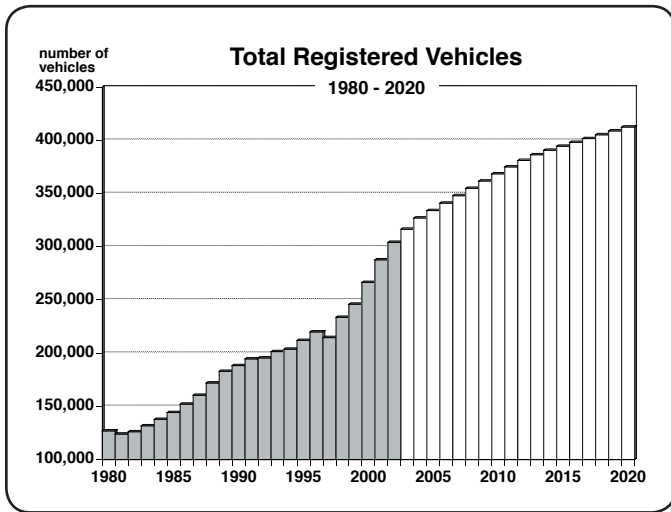
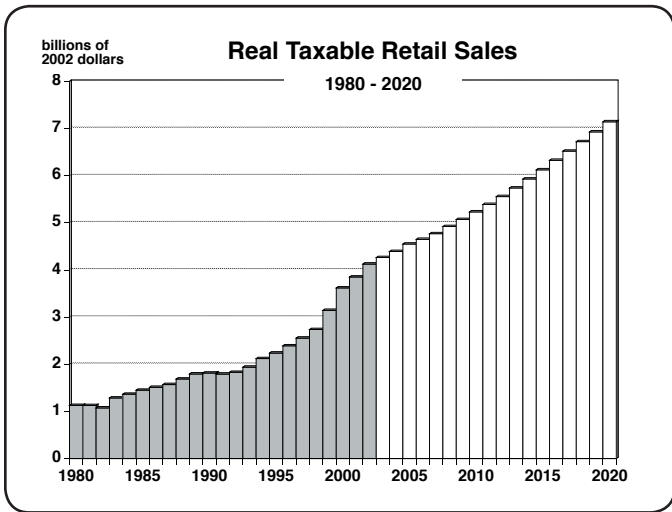
- More housing and employment opportunities in the region provide an avenue for growth. This is especially true in Placer County. There were 7,200 units built in Placer County in 2002. The forecast calls for between 6,600 and 7,000 new units per year for the next 5 years.
- Real per capita incomes rise at an annual compound rate of 1.0 percent over the next 5 years. Real (inflation-adjusted) salaries in the county average \$39,400 in 2004. Over the next 5 years, salaries are forecast to exceed the general rate of inflation by 1.6 percentage points per year.





Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
75.2	0.4	5.3	8.8	3.6	20.5	3.9	20.0	12.8
82.0	0.4	6.1	9.7	3.5	22.0	4.0	22.8	13.4
88.8	0.5	7.0	10.3	3.7	23.5	4.5	24.9	14.4
95.1	0.4	8.2	10.9	3.8	24.6	5.1	26.4	15.7
101.6	0.3	9.8	11.8	3.9	25.8	5.4	27.8	16.8
111.5	0.3	11.4	12.9	4.2	27.8	6.1	31.0	17.7
118.5	0.4	13.9	12.6	4.3	30.0	6.8	32.4	18.2
119.2	0.5	14.7	11.4	3.9	30.7	6.6	32.5	18.8
120.1	0.3	14.7	11.3	3.8	31.5	6.9	33.0	18.7
123.8	0.3	15.0	11.6	3.9	32.1	7.1	34.4	19.3
127.6	0.4	15.2	12.0	4.0	32.6	7.3	36.3	19.8
132.0	0.4	15.5	12.4	4.1	33.1	7.6	38.3	20.7
136.1	0.4	15.7	12.7	4.2	33.7	7.8	40.2	21.4
140.3	0.5	16.1	13.0	4.2	34.4	7.9	41.9	22.3
144.0	0.5	16.2	13.3	4.3	35.2	8.1	43.5	22.9
146.9	0.5	16.1	13.5	4.3	36.1	8.3	44.8	23.3
150.4	0.5	16.0	13.8	4.4	37.0	8.5	46.7	23.6
153.7	0.5	16.0	14.0	4.4	37.9	8.7	48.2	23.9
156.5	0.6	15.7	14.2	4.4	38.7	8.9	49.6	24.4
159.2	0.6	15.6	14.4	4.4	39.6	9.0	50.9	24.7
162.2	0.6	15.5	14.5	4.5	40.5	9.2	52.5	25.1
165.5	0.6	15.6	14.6	4.5	41.3	9.4	54.0	25.4
168.8	0.7	15.7	14.7	4.6	42.1	9.6	55.7	25.8
172.5	0.7	15.8	14.8	4.6	43.0	9.8	57.5	26.3
176.1	0.7	16.1	14.8	4.7	43.8	9.9	59.2	26.9
179.7	0.8	16.4	14.8	4.7	44.7	10.1	60.7	27.4

- The median home selling price in Placer County was \$271,350 in 2002. Over the forecast horizon, the median price rises an average of 3.7 percent per year, adjusted for inflation. This is a moderate decline from the 7.8 percent average real appreciation per year between 1997 and 2002.



# Plumas County Economic Forecast

Primarily a mountainous region, Plumas County is located in northeastern California, in the shadow of the Sierra Nevada and Cascade mountain ranges.

Plumas County's population in 2003 stood at 20,900 residents, an increase over the 2000 Census level, of less than 100 persons. The only city, Portola, recorded a total population of 2,170 in 2003. Population projections indicate that the county will reach 21,750 residents by the year 2010, an increase of just 3.6 percent over the current 2003 level.

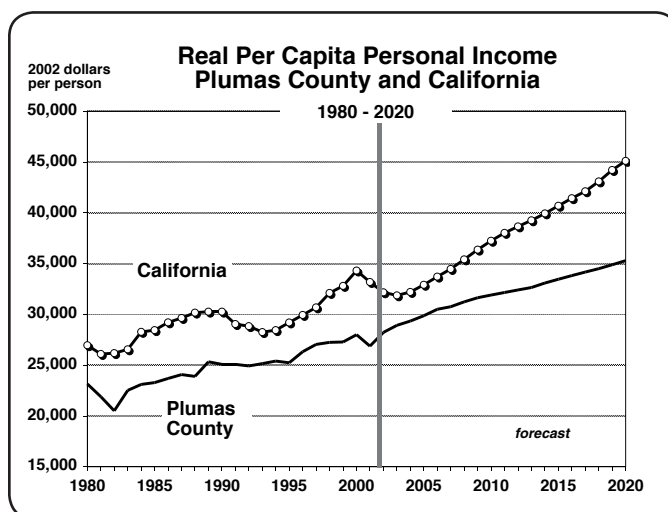
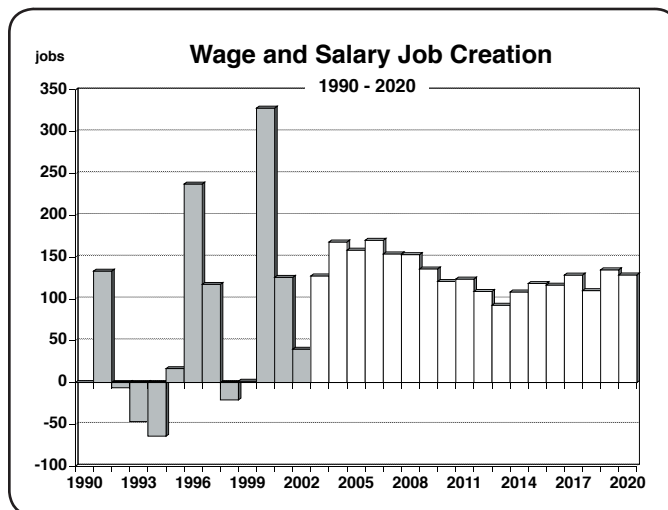
The 2002 annual average unemployment rate of 9.0 percent is still significantly higher than the state's unemployment rate of 6.6 percent for the same year. Plumas County relies heavily on timber, timber-related industries, and recreation as its economic base. Higher unemployment rates in counties like Plumas are due, in part, to the greater seasonal variations in employment.

Plumas' varied economic base includes government, services, and retail trade. Employment in the county is dominated by the government industry, which accounts for 34 percent of the total employment, and is projected to grow an average 1.3 percent per year between 2003 and 2008. Within government, the majority of growth is expected to concentrate in the state and local public sector.

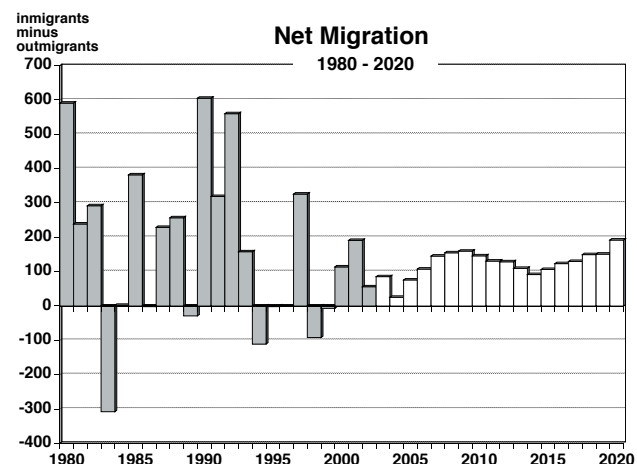
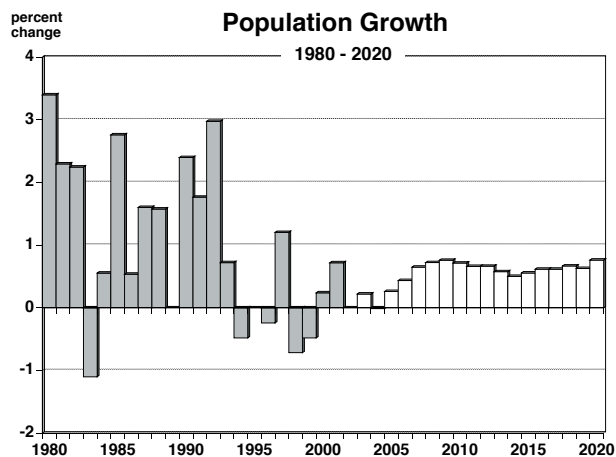
Services is another important industry forecast to increase employment in Plumas' future economy. The employment forecast has services increasing an average 3.4 percent per year over the next 5 years, creating 260 new jobs. Trade is also expected to increase over the forecast period. Employment projections for wholesale and retail trade estimate average annual growth of 2.9 percent between 2003 and 2008, most likely in the food store and restaurant sectors.

## Forecast Highlights

- Non-farm job growth is forecast to rise 2.0 percent per year over the next 5 years. The principal sectors of growth are trade, services, and government. An average of 155 jobs per year are created between 2003 and 2008.
- Inflation-adjusted per-capita income increases 1.6 percent per year between 2003 and 2008. Between 1997 and 2002, the growth of real per capita income averaged 0.9 percent per year.



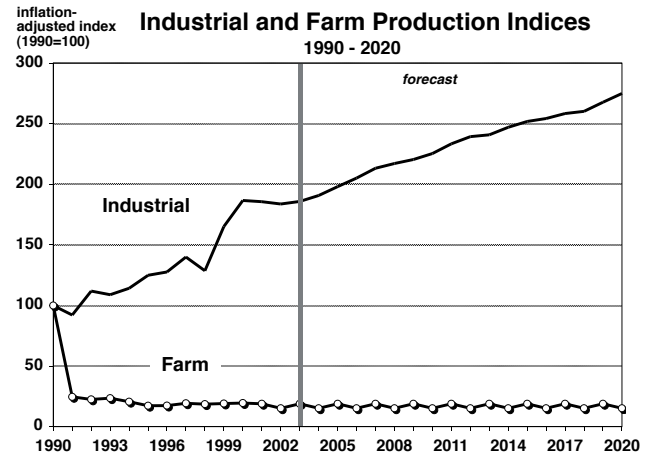
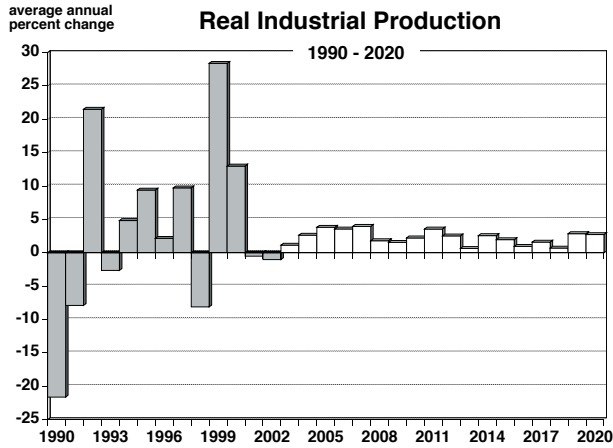
- Due to a more fertile-aged population, the growth in total population increases slightly to 0.4 percent per year over the next 5 years. The number of new in-migrants is forecast to average 100 persons per year. This is the same rate of net migration that prevailed between 1997 and 2002.
- An average of 170 new residential units are authorized each year over the next 5 years. This compares to the average of 163 units built between 1997 and 2002 in Plumas County.



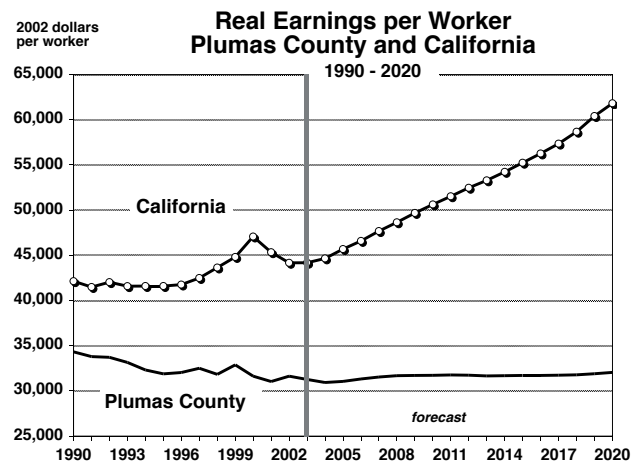
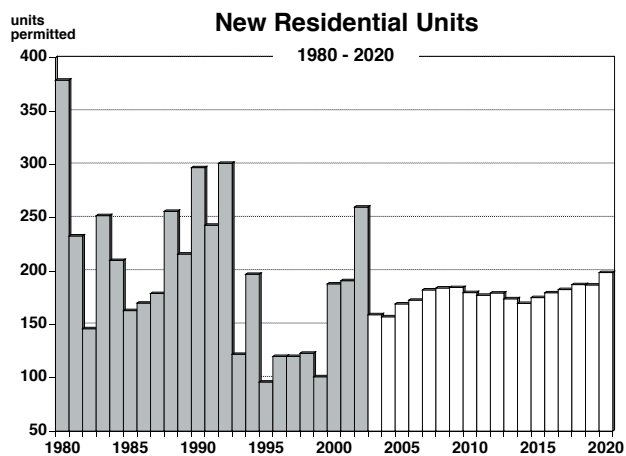
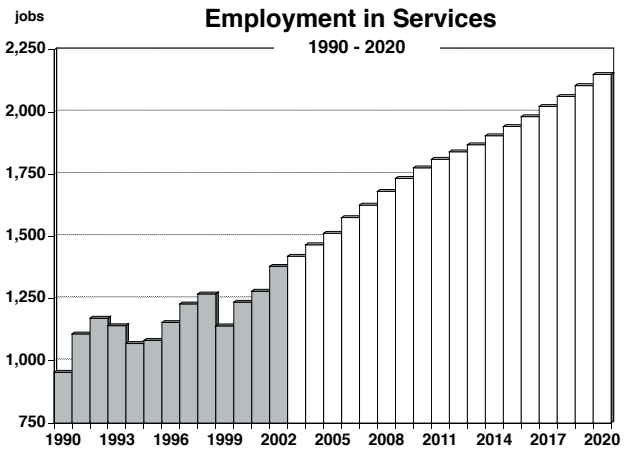
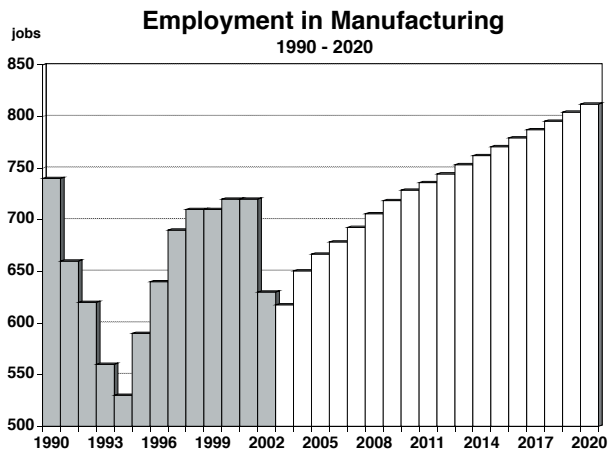
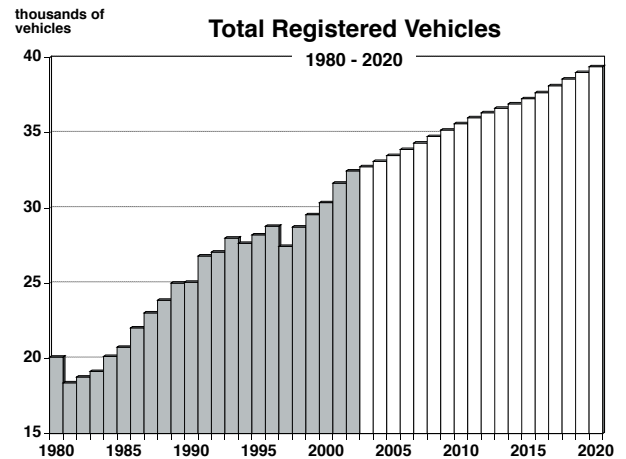
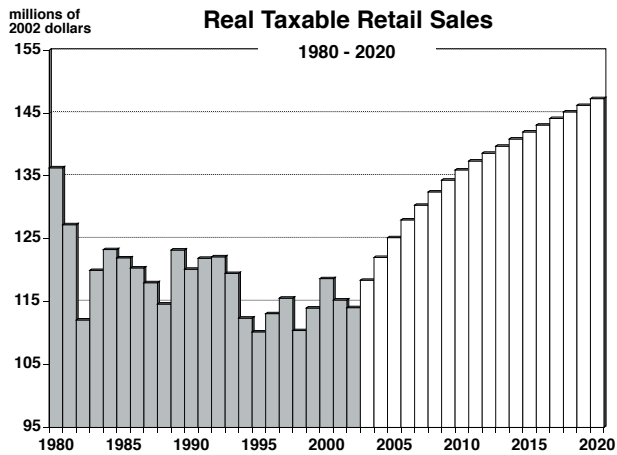
## Plumas County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	20,800	-2	28.2	9.0	96	\$86.5	\$412.3	\$25,239	\$13.1	\$250.5
1996	20,750	-1	28.8	9.1	120	\$90.9	\$439.1	\$26,336	\$13.5	\$255.9
1997	21,000	326	27.5	9.2	120	\$96.0	\$472.0	\$27,050	\$15.5	\$280.8
1998	20,850	-92	28.7	9.3	123	\$94.7	\$487.3	\$27,257	\$15.4	\$258.0
1999	20,750	-7	29.6	9.4	101	\$101.9	\$506.2	\$27,293	\$16.5	\$331.3
2000	20,800	114	30.4	9.0	188	\$110.8	\$544.0	\$28,009	\$17.6	\$374.3
2001	20,950	191	31.7	9.1	191	\$113.4	\$554.3	\$26,888	\$17.9	\$372.4
2002	20,950	56	32.5	9.2	260	\$114.1	\$591.6	\$28,239	\$14.6	\$368.6
2003	20,996	85	32.7	9.4	159	\$121.4	\$622.8	\$28,934	\$18.7	\$372.8
2004	20,994	25	33.1	9.5	157	\$128.6	\$649.2	\$29,346	\$15.4	\$382.6
2005	21,049	76	33.5	9.6	169	\$135.6	\$681.1	\$29,878	\$19.7	\$397.3
2006	21,141	107	33.9	9.7	173	\$142.4	\$717.8	\$30,514	\$16.3	\$411.4
2007	21,279	145	34.3	9.8	182	\$148.8	\$747.6	\$30,767	\$20.8	\$427.7
2008	21,433	155	34.8	9.9	184	\$155.2	\$784.6	\$31,242	\$17.1	\$435.4
2009	21,596	160	35.2	10.0	185	\$161.5	\$821.7	\$31,647	\$21.9	\$442.2
2010	21,750	146	35.6	10.1	180	\$168.0	\$857.9	\$31,915	\$18.1	\$452.1
2011	21,894	131	36.0	10.2	177	\$174.6	\$895.2	\$32,169	\$23.1	\$468.1
2012	22,040	129	36.3	10.3	179	\$181.3	\$934.4	\$32,419	\$19.1	\$480.0
2013	22,167	110	36.6	10.4	174	\$188.1	\$974.4	\$32,657	\$24.5	\$483.1
2014	22,279	92	36.9	10.5	170	\$194.9	\$1,020.0	\$33,098	\$20.2	\$495.5
2015	22,403	106	37.3	10.7	175	\$201.8	\$1,065.8	\$33,476	\$25.9	\$505.2
2016	22,541	123	37.7	10.8	180	\$209.1	\$1,114.2	\$33,826	\$21.4	\$510.1
2017	22,681	130	38.1	10.9	183	\$216.8	\$1,166.0	\$34,176	\$27.4	\$518.2
2018	22,833	150	38.6	11.0	187	\$224.6	\$1,218.7	\$34,508	\$22.6	\$521.9
2019	22,976	151	39.0	11.1	187	\$232.4	\$1,274.3	\$34,899	\$28.9	\$536.8
2020	23,152	192	39.4	11.2	199	\$240.3	\$1,333.3	\$35,306	\$23.8	\$551.5



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
6,540	23	450	590	613	1,497	268	1,083	2,018
6,778	26	400	640	574	1,519	242	1,154	2,223
6,895	59	440	690	538	1,403	258	1,229	2,279
6,874	77	430	710	483	1,370	272	1,269	2,264
6,876	100	500	710	450	1,347	289	1,141	2,339
7,204	150	520	720	450	1,363	287	1,236	2,479
7,330	180	550	720	427	1,390	293	1,280	2,490
7,370	110	560	630	430	1,370	350	1,380	2,540
7,498	110	562	618	429	1,389	376	1,421	2,592
7,666	107	564	651	427	1,420	391	1,467	2,640
7,824	106	572	667	424	1,459	400	1,513	2,682
7,994	104	582	679	422	1,505	410	1,576	2,717
8,148	104	589	693	420	1,553	418	1,626	2,745
8,302	103	594	706	419	1,604	426	1,682	2,768
8,438	104	585	719	418	1,655	435	1,733	2,790
8,558	103	580	729	417	1,707	442	1,776	2,806
8,682	104	588	736	417	1,757	450	1,810	2,820
8,791	103	591	744	417	1,806	458	1,840	2,832
8,884	104	577	753	417	1,853	465	1,869	2,845
8,992	103	581	762	418	1,899	471	1,905	2,853
9,111	104	586	771	418	1,943	477	1,942	2,869
9,227	103	585	779	418	1,986	484	1,982	2,891
9,356	103	594	787	418	2,028	490	2,023	2,913
9,466	101	585	796	418	2,068	496	2,063	2,940
9,601	102	593	804	417	2,107	503	2,106	2,968
9,730	101	597	812	418	2,145	509	2,151	2,997



# Riverside County Economic Forecast

The population of Riverside County has now reached 1.7 million. The growth rate in population has remained phenomenal despite weaker economic conditions in California since 2000. Riverside County population is growing at the highest rate in California among the 25 largest counties.

The fastest growing cities in the county include Temecula, Murrieta and Coachella. The fastest growing city in the entire state of California between 2000 and 2003 was Temecula, which leaped 30 percent in population.

## Population – Selected Cities • January 2003

City	Population	2002-2003 % change
Temecula	75,000	3.0
Corona	137,000	2.2
Riverside	274,100	1.7
Hemet	62,000	1.1
Murrieta	57,000	10.3
Indio	54,500	4.4
Coachella	26,750	10.1
<b>Total County</b>	<b>1,705,500</b>	<b>3.7</b>

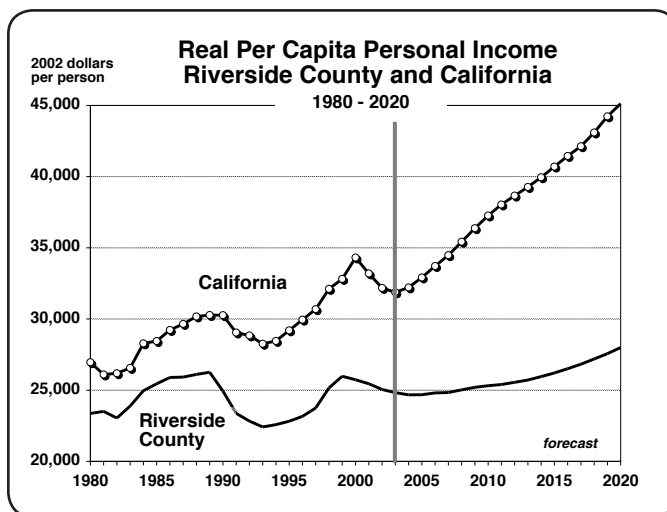
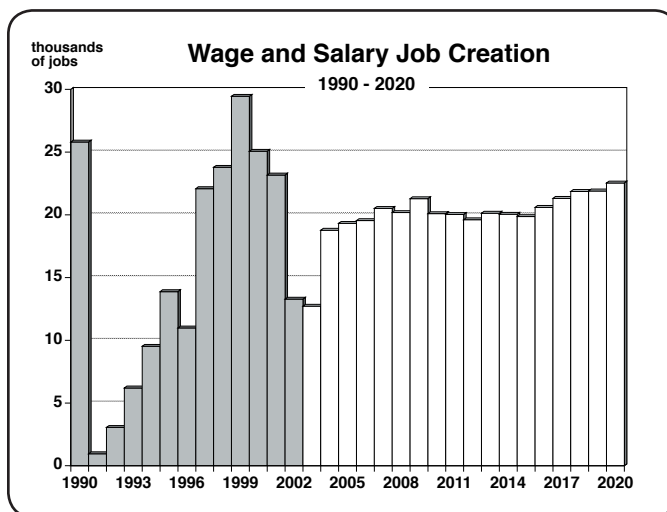
Until recently, Riverside lacked the skilled labor necessary to staff technology. Now that skilled labor force is growing, attracted by affordable housing. Most families and workers in Orange and San Diego Counties cannot afford the median home there. The residential development community has built thousands of homes in all price categories, appealing broadly to all workers.

The median new home price of existing homes for resale reached record levels in 2002, rising 13 percent from median values in 2001. Existing home prices now routinely exceed \$200,000, and new home selling prices have now eclipsed \$275,000 in Riverside County.

Migration into Riverside County has been prolific since 2000, averaging in excess of 40,000 people per year. Job opportunities have been the largest attraction, together with available and affordable housing.

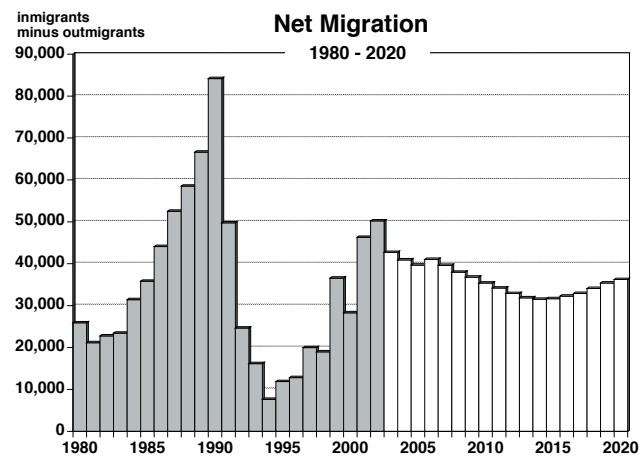
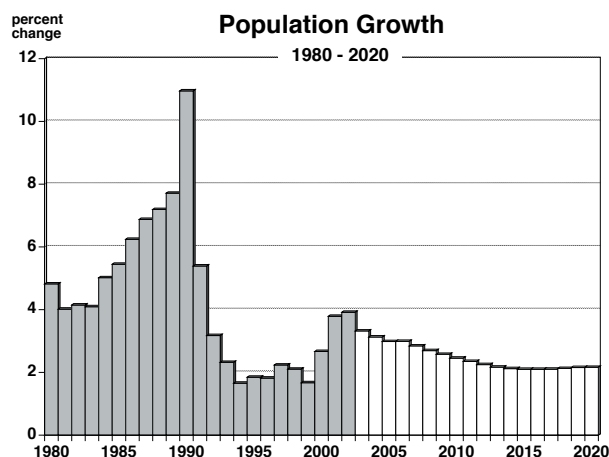
## Forecast Highlights

- Forecast for Population: Net migration into the region averages 39,000 persons per year for the next 5 years. Population growth is forecast at 2.9 percent per year between 2003 and 2008. Births rise nearly 2 percent



per year during this time period, but most of the population gain will be from net migration.

- Forecast for Employment: 100,000 new wage and salary jobs are created between 2003 and 2008. The compound rate of growth of non-farm employment over the next 5 years is 3.7 percent per year. The unemployment rate is forecast to remain in a range of between 5.5 and 6.4 percent for the next several years.
- Forecast for Personal Income: Total inflation-adjusted personal income rises an average of 3.1 percent per year between 2003 and 2008. This compares to an average of 3.9 percent gains in real personal income between 1997 and 2002. Real per capita personal income increases 0.2 percent per year over the next 5 years.



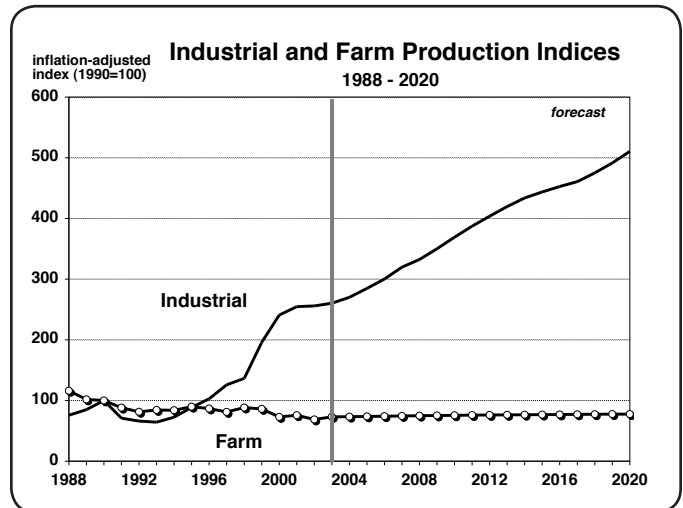
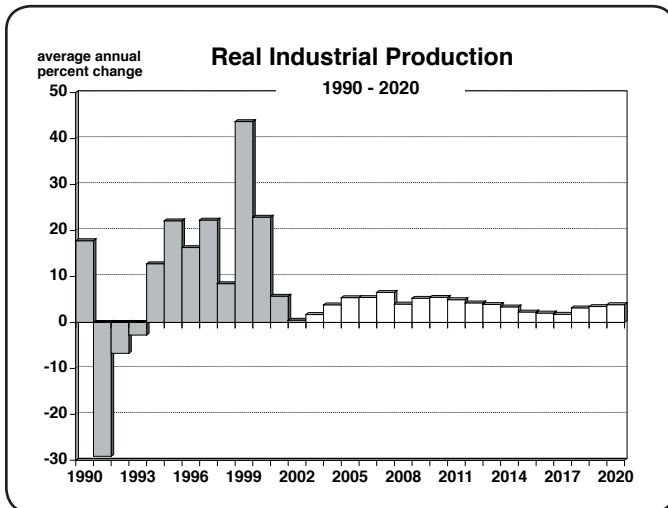
## Riverside County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,401,600	11,878	986	448.1	6,946	\$7.4	\$27.1	\$22,815	\$1,163.4	\$10.4
1996	1,427,100	12,822	1,006	453.5	7,499	\$8.0	\$28.5	\$23,162	\$1,141.8	\$12.1
1997	1,459,000	19,976	965	458.0	9,784	\$8.5	\$30.4	\$23,746	\$1,087.9	\$14.8
1998	1,489,700	18,967	1,042	464.2	12,493	\$9.3	\$33.4	\$25,161	\$1,199.4	\$16.1
1999	1,514,600	36,550	1,098	473.1	14,579	\$10.7	\$35.9	\$25,982	\$1,197.3	\$23.1
2000	1,555,000	28,287	1,180	503.1	15,410	\$12.2	\$37.7	\$25,731	\$1,048.5	\$28.4
2001	1,613,900	46,291	1,261	515.8	19,005	\$13.2	\$40.0	\$25,446	\$1,124.8	\$30.0
2002	1,677,100	50,206	1,303	531.5	22,763	\$14.1	\$42.0	\$25,047	\$1,049.4	\$30.2
2003	1,732,775	42,690	1,346	542.8	19,557	\$14.4	\$44.0	\$24,823	\$1,139.6	\$30.7
2004	1,786,988	40,904	1,371	556.4	18,976	\$15.1	\$46.2	\$24,676	\$1,174.1	\$31.9
2005	1,840,308	39,659	1,404	570.1	18,894	\$15.9	\$48.8	\$24,682	\$1,209.4	\$33.6
2006	1,895,332	41,025	1,462	584.3	19,300	\$16.9	\$51.6	\$24,805	\$1,245.0	\$35.4
2007	1,949,234	39,600	1,494	599.2	19,554	\$17.9	\$54.4	\$24,838	\$1,280.0	\$37.7
2008	2,001,749	37,965	1,530	614.4	19,793	\$18.9	\$57.5	\$25,019	\$1,315.5	\$39.2
2009	2,053,308	36,784	1,567	630.1	19,454	\$19.9	\$60.8	\$25,202	\$1,351.3	\$41.3
2010	2,103,699	35,385	1,606	645.7	18,915	\$21.0	\$64.1	\$25,309	\$1,390.2	\$43.5
2011	2,153,145	34,191	1,646	660.9	18,624	\$22.1	\$67.5	\$25,401	\$1,430.6	\$45.7
2012	2,201,572	32,890	1,696	676.1	18,278	\$23.1	\$71.2	\$25,551	\$1,472.0	\$47.6
2013	2,249,266	31,855	1,738	691.1	18,008	\$24.2	\$75.1	\$25,710	\$1,514.9	\$49.5
2014	2,296,939	31,508	1,782	705.9	17,994	\$25.3	\$79.3	\$25,954	\$1,556.1	\$51.2
2015	2,345,110	31,654	1,818	720.7	18,219	\$26.4	\$83.8	\$26,208	\$1,597.5	\$52.3
2016	2,394,297	32,267	1,866	735.7	18,482	\$27.7	\$88.7	\$26,506	\$1,641.3	\$53.4
2017	2,444,588	32,891	1,917	751.0	18,782	\$29.1	\$94.0	\$26,828	\$1,688.2	\$54.3
2018	2,496,567	34,092	1,970	766.6	19,440	\$30.6	\$99.8	\$27,193	\$1,734.5	\$56.1
2019	2,550,375	35,396	2,025	782.7	20,059	\$32.1	\$105.8	\$27,572	\$1,780.5	\$58.0
2020	2,605,516	36,218	2,082	799.5	20,283	\$33.7	\$112.3	\$27,995	\$1,825.4	\$60.2

- **Forecast for Average Salaries:** The average salary per worker in 2002 was \$32,892. Salaries rise an average of 0.9 percent per year during the next 5 years. Average salaries are slightly higher in San Bernardino County than in Riverside County, but salaries are forecast to rise faster in Riverside County.
- **Forecast for Housing:** An average of 19,300 residential units are permitted per year during the next 5 years. This level of production represents an increase compared to the last 5 years when an average of 15,672 units were permitted per year in Riverside County. Real home values are forecast to rise an average of





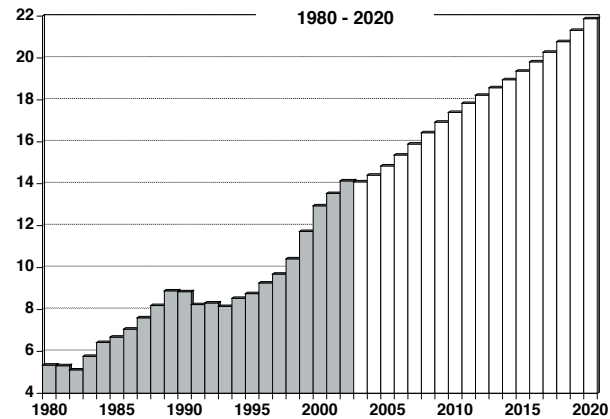
Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
355.3	17.3	22.8	40.0	11.5	88.4	13.8	93.8	67.8
366.3	16.9	25.0	41.7	11.0	90.3	13.8	97.8	69.9
388.4	17.4	29.4	44.7	11.6	94.3	13.5	105.3	72.2
412.2	17.5	35.6	47.5	12.6	98.4	14.0	112.7	73.9
441.6	17.3	42.3	50.1	13.8	105.0	14.9	120.0	78.2
466.7	17.7	47.4	53.4	13.9	110.6	15.0	124.6	84.1
489.9	17.1	53.1	53.6	15.1	117.3	15.9	127.5	90.3
503.1	17.0	54.2	51.7	15.1	120.7	16.6	132.1	95.8
515.9	16.3	54.7	50.3	15.8	127.0	17.0	136.5	98.4
534.6	16.1	56.0	50.6	16.4	133.8	17.4	142.6	101.8
554.0	16.0	57.6	51.6	17.0	140.6	17.7	148.1	105.3
573.5	15.9	59.4	52.6	17.8	147.7	18.0	153.2	108.9
594.0	15.8	61.4	54.1	18.5	154.8	18.3	158.2	112.9
614.2	15.8	63.5	54.9	19.1	162.1	18.5	163.1	117.1
635.5	15.8	65.5	56.1	19.6	169.5	18.8	169.0	121.1
655.6	15.8	67.3	57.5	20.2	176.8	18.9	173.8	125.2
675.6	15.8	68.9	59.0	20.8	184.1	19.1	178.6	129.3
695.2	15.9	70.2	60.4	21.2	191.2	19.3	183.6	133.5
715.3	15.9	71.3	62.5	21.5	198.1	19.4	188.9	137.7
735.4	15.9	72.3	64.3	21.9	204.7	19.4	194.7	142.2
755.2	15.9	73.2	65.5	22.3	211.2	19.5	201.0	146.7
775.8	15.8	74.2	66.9	22.7	217.4	19.6	207.9	151.3
797.1	15.8	75.0	68.6	23.1	223.5	19.7	215.3	156.1
819.0	15.8	76.2	70.1	23.6	229.4	19.8	223.2	161.0
840.9	15.7	77.6	70.9	24.0	235.2	19.9	231.6	166.0
863.4	15.7	79.0	72.1	24.4	240.7	20.1	240.4	171.1

3.1 percent per year. At this rate of appreciation, the median selling price for existing homes is projected to be \$267,700 in the year 2008.

billions of  
2002 dollars

### Real Taxable Retail Sales

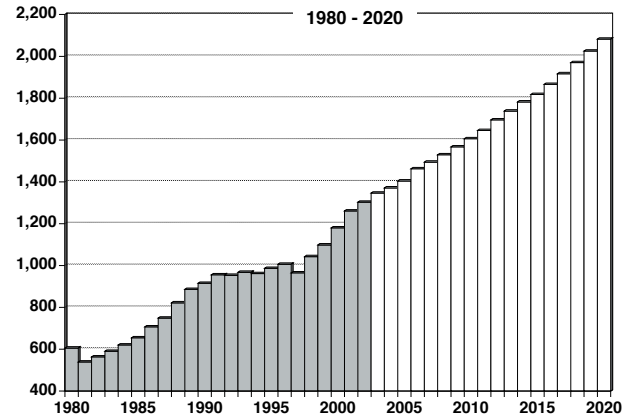
1980 - 2020



number of  
vehicles

### Total Registered Vehicles

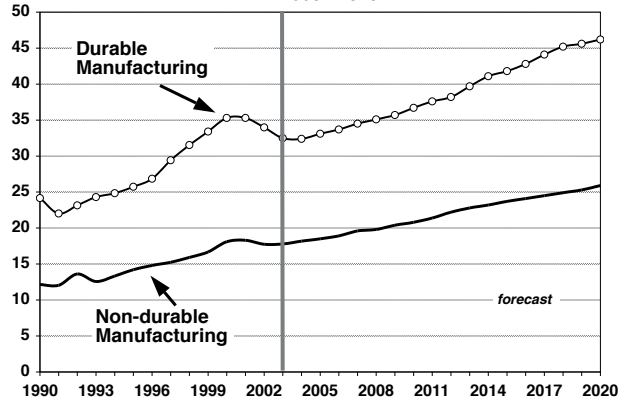
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

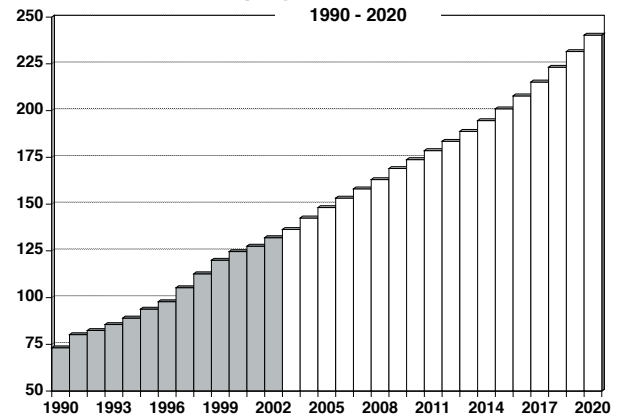
1990 - 2020



thousands of  
jobs

### Employment in Services

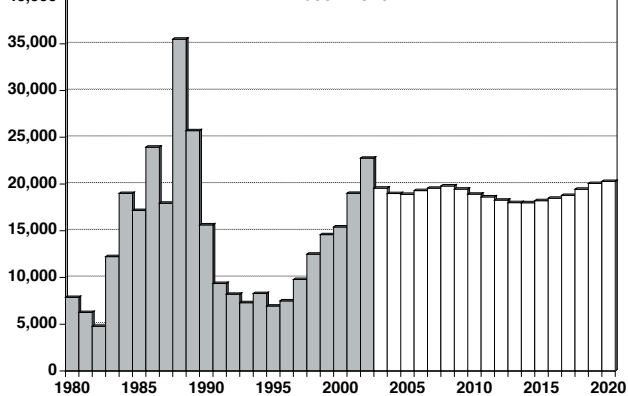
1990 - 2020



units  
permitted

### New Residential Units

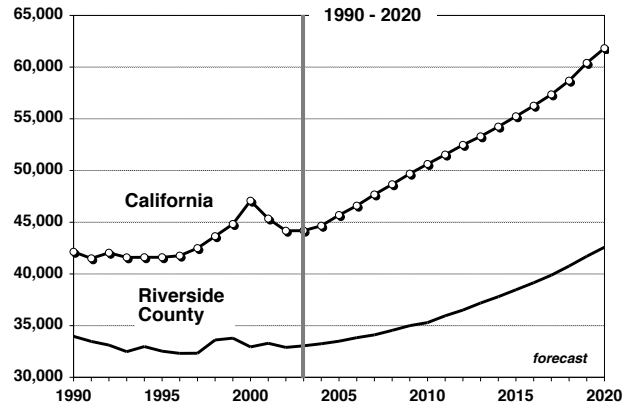
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Riverside County and California

1990 - 2020



# Sacramento County Economic Forecast

The Sacramento metropolitan region consists of three counties—Placer, Sacramento, and El Dorado. Employment and population growth have been prolific, especially in Sacramento and Placer Counties since 1998. The economic expansion brought significant growth to the region, in terms of electronics employment, higher per capita incomes, and a surge in new housing. High production levels of housing continue today.

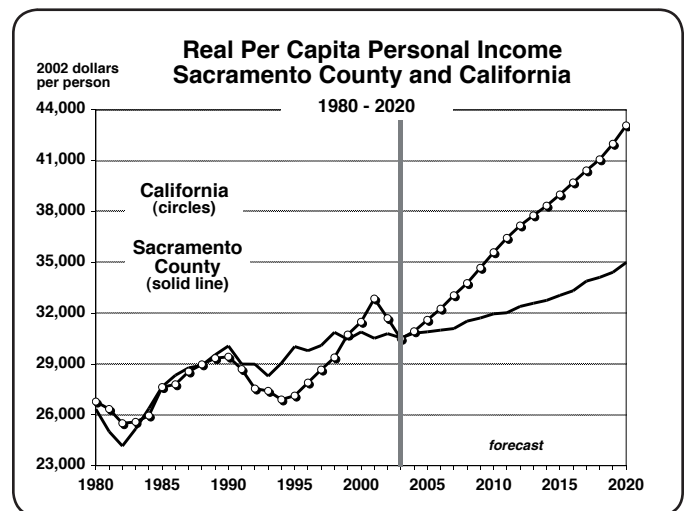
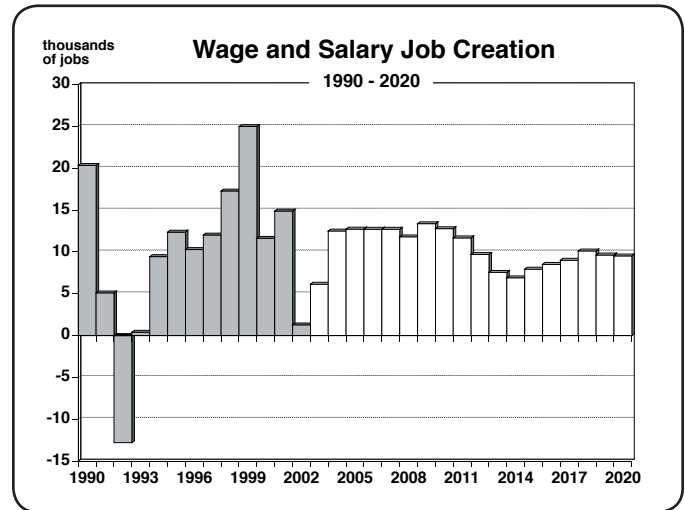
In 2002, the region demonstrated greater economic resilience than the adjacent Bay Area economy, though growth has slowed from the previous 4 years. The economy of Sacramento County is the fastest growing of any major northern California county.

A variety of firms and industries, such as Internet service providers, telecommunications firms, insurance companies, utilities and financial services, have located customer service call centers in Sacramento. The county is also keeping pace with demand for more lodging and hospitality services. The downtown and midtown areas of Sacramento City have experienced an increase in the number of eating and drinking establishments to serve an expanding customer base. Moreover, the outlying areas are also adding hotels and rooms to accommodate growing business and visitor demand.

Sacramento, the largest city in the county, officially recorded a population of 426,000 in 2002, an increase of 2.8 percent over 2001. This rate of growth in population is twice as high as the average growth rate for a California city.

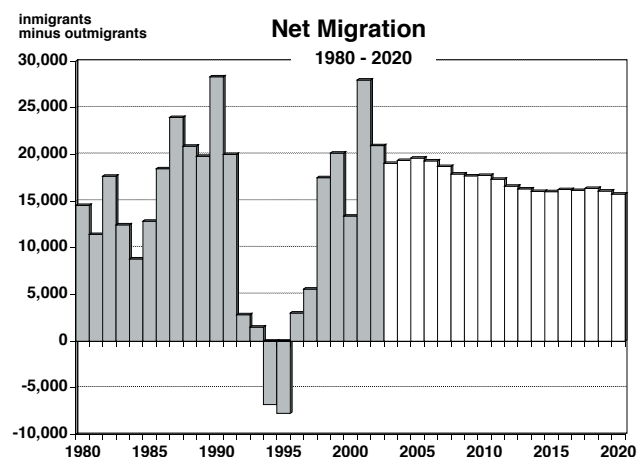
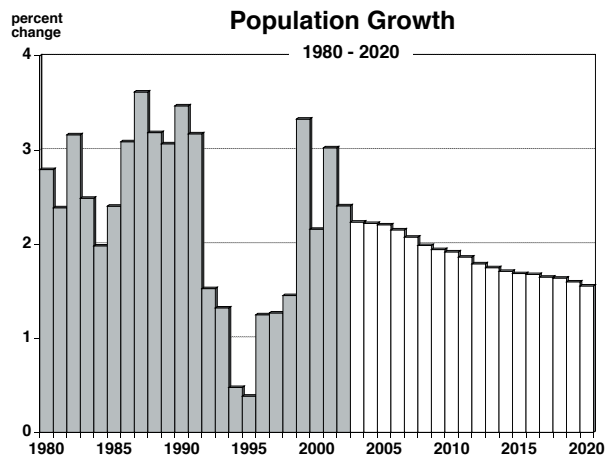
## Forecast Highlights

- The forecast for employment growth over the next 5 years averages 2.1 percent per year. This compares to the 2.6 percent growth in employment that prevailed during the 1997 to 2002 period.
- Services and government remain the principal sectors of job creation in Sacramento County. The manufacturing sector is forecast to grow jobs at an annual rate of 1.9 percent per year. Employment in the services sector grows at a compound annual rate of growth of 3.3 percent between 2003 and 2008.
- Healthcare and information services are forecast to create a large share of the service sector jobs during the decade. Personal services to accommodate the rapidly



growing population in the region will also create jobs at a healthy pace.

- Salaries per worker averaged \$48,400 in 2002. Salaries are forecast to rise at an average compound rate of growth of 0.8 percent per year between 2003 and 2008. This rate of increase is less than the 1.1 percent per year increase recorded between 1997 and 2002. Real per capita incomes are forecast to rise an average of 0.6 percent per year through 2008.
- Home building remains strong in the county, averaging 13,500 home permits per year over the next 5 years. More home building accommodates an increase in population growth over the forecast horizon. Population

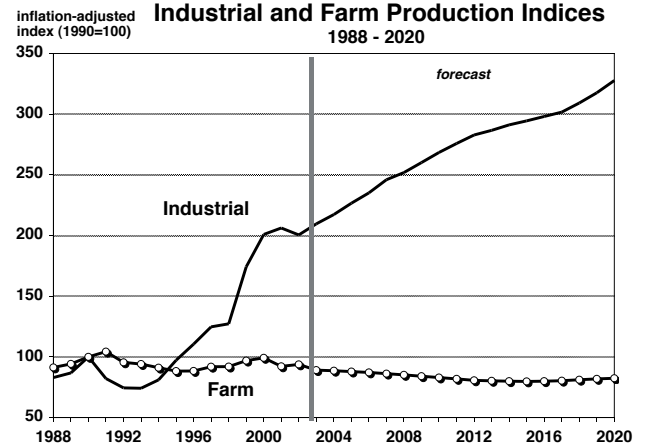


## Sacramento County Economic Forecast 1995-2002 History, 2003-2020 Forecast

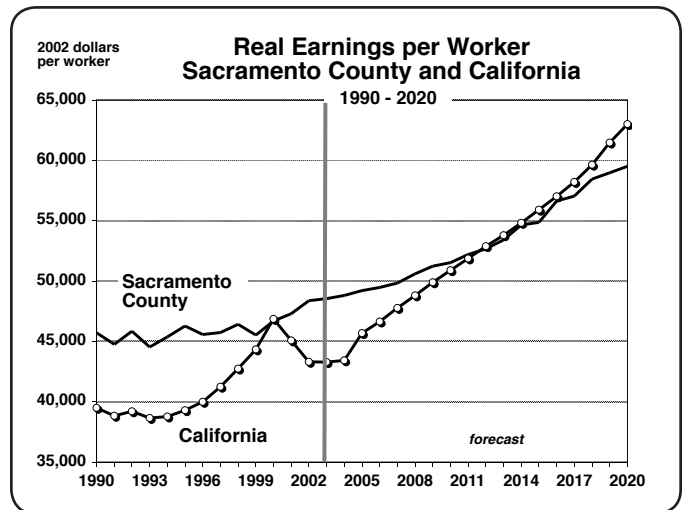
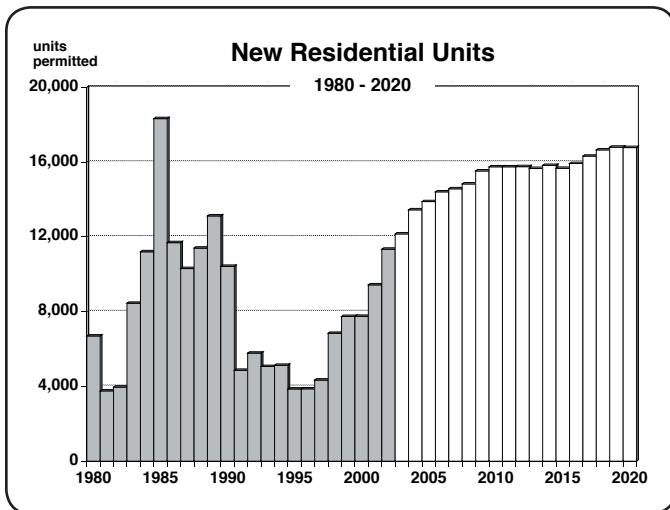
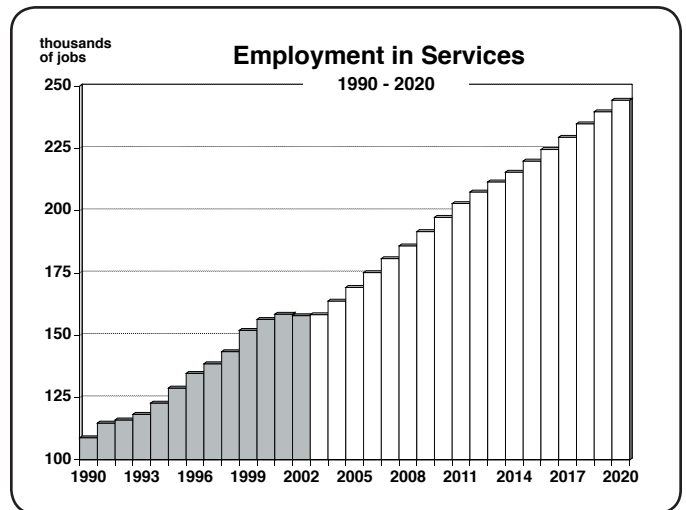
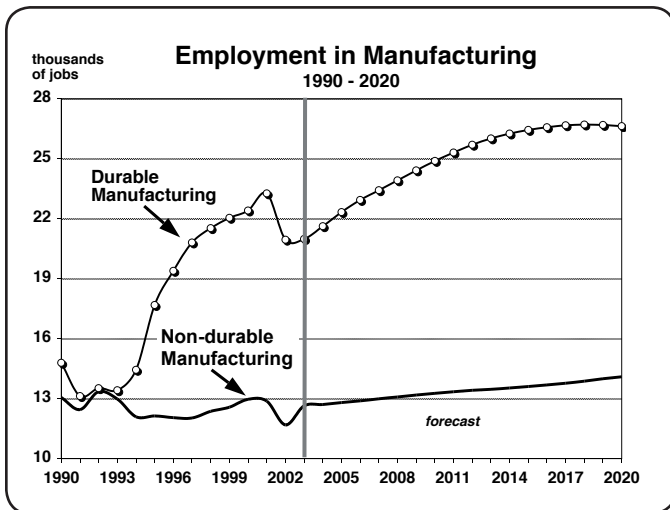
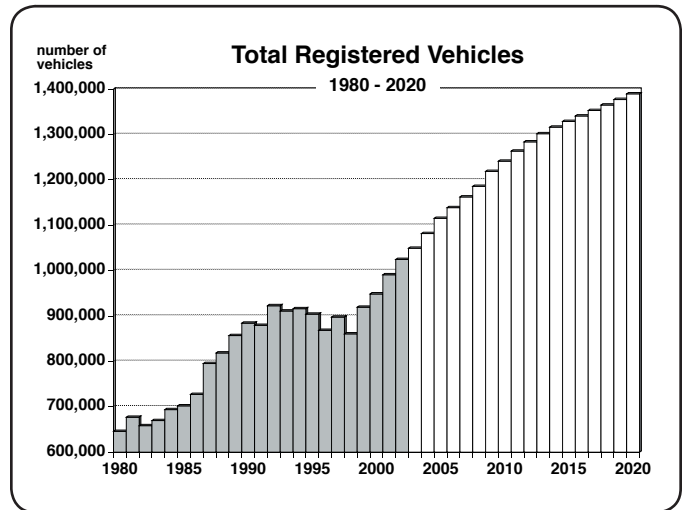
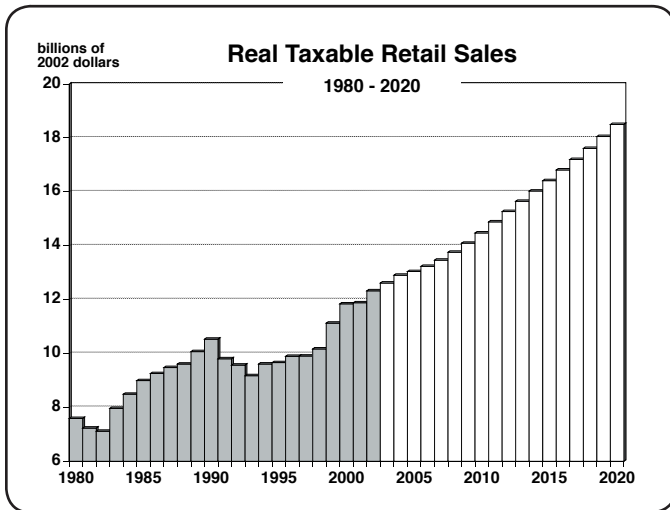
	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,120,700	-7,734	904,094	423.9	3,863	\$7.6	\$26.4	\$30,029	\$226.2	\$10.5
1996	1,134,700	3,019	868,669	427.4	3,870	\$8.0	\$27.2	\$29,787	\$231.6	\$11.9
1997	1,149,100	5,584	897,848	430.5	4,339	\$8.2	\$28.7	\$30,095	\$249.1	\$13.5
1998	1,165,800	17,516	860,795	434.3	6,842	\$8.7	\$30.9	\$30,867	\$257.5	\$13.7
1999	1,204,600	20,148	919,373	438.7	7,743	\$9.9	\$32.8	\$30,456	\$282.6	\$18.8
2000	1,230,600	13,408	948,829	452.1	7,750	\$11.1	\$35.5	\$30,889	\$302.1	\$21.7
2001	1,267,800	27,972	991,020	459.0	9,434	\$11.7	\$38.1	\$30,517	\$296.0	\$22.2
2002	1,298,313	20,947	1,024,721	468.7	11,341	\$12.3	\$40.0	\$30,793	\$305.9	\$21.6
2003	1,327,311	19,053	1,049,519	485.9	12,160	\$12.9	\$41.6	\$30,548	\$297.9	\$22.6
2004	1,356,778	19,362	1,081,860	498.5	13,447	\$13.6	\$44.1	\$30,821	\$304.7	\$23.4
2005	1,386,694	19,610	1,115,375	511.7	13,887	\$14.1	\$46.4	\$30,898	\$310.6	\$24.4
2006	1,416,521	19,313	1,138,872	525.0	14,407	\$14.7	\$48.9	\$31,001	\$316.6	\$25.4
2007	1,445,906	18,714	1,162,476	538.6	14,572	\$15.4	\$51.3	\$31,096	\$321.2	\$26.5
2008	1,474,608	17,904	1,185,810	552.2	14,833	\$16.1	\$54.5	\$31,527	\$325.7	\$27.2
2009	1,503,244	17,703	1,218,731	566.0	15,530	\$16.9	\$57.3	\$31,714	\$330.0	\$28.0
2010	1,532,069	17,766	1,241,419	580.1	15,747	\$17.9	\$60.5	\$31,964	\$334.5	\$28.9
2011	1,560,607	17,346	1,263,485	594.4	15,747	\$18.9	\$63.5	\$32,025	\$339.4	\$29.7
2012	1,588,551	16,601	1,284,051	608.8	15,757	\$20.0	\$67.3	\$32,399	\$344.1	\$30.5
2013	1,616,342	16,313	1,301,782	623.1	15,660	\$21.1	\$70.9	\$32,584	\$352.7	\$30.9
2014	1,643,985	16,044	1,316,288	637.5	15,826	\$22.2	\$74.5	\$32,759	\$360.7	\$31.4
2015	1,671,712	16,019	1,328,880	651.8	15,667	\$23.3	\$78.5	\$33,050	\$369.7	\$31.7
2016	1,699,750	16,248	1,341,077	666.2	15,924	\$24.6	\$82.8	\$33,324	\$381.0	\$32.1
2017	1,727,782	16,154	1,353,071	680.8	16,319	\$25.9	\$88.1	\$33,892	\$394.6	\$32.5
2018	1,756,101	16,373	1,365,198	695.7	16,656	\$27.2	\$92.7	\$34,114	\$409.7	\$33.3
2019	1,784,177	16,083	1,377,360	711.0	16,797	\$28.7	\$97.6	\$34,417	\$424.3	\$34.2
2020	1,811,933	15,757	1,389,767	726.4	16,779	\$30.2	\$103.4	\$34,992	\$438.5	\$35.3

risers an average of 2.1 percent per year between 2003 and 2008. Net in-migration remains high but gradually slows down, to less than 20,000 migrants per year. The natural increase in population will accelerate.

- The median home selling price was \$207,550 in 2002. Median home values, adjusted for inflation, will increase an average of 4 percent per year after 2003. The forecast appreciation rate of home values is less than half the rate that prevailed during the 1997 to 2002 period.



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
482.0	2.9	20.2	29.8	20.3	101.3	33.5	128.9	145.1
492.3	2.9	21.5	31.4	20.2	102.5	33.9	134.7	145.1
504.3	3.0	23.7	32.8	19.8	103.9	36.3	138.6	146.3
521.6	3.0	26.1	33.9	21.0	105.8	40.7	143.5	147.6
546.6	3.2	30.3	34.6	21.9	108.9	42.6	152.0	152.9
558.2	3.3	32.3	35.4	22.2	114.0	40.0	156.4	154.7
573.1	3.7	34.9	36.2	22.6	115.9	40.4	158.5	161.1
574.4	3.7	34.9	32.6	21.4	117.1	39.9	157.9	167.0
580.6	3.5	36.7	33.6	21.0	119.4	40.9	158.3	167.2
593.1	3.4	37.2	34.3	21.8	121.3	41.6	163.8	169.7
605.8	3.3	37.6	35.1	22.5	122.9	42.1	169.2	173.1
618.5	3.2	37.9	35.8	23.1	124.3	42.6	175.2	176.4
631.3	3.2	38.4	36.4	23.6	125.6	42.9	180.8	180.4
643.1	3.3	38.9	37.0	24.0	126.9	43.0	185.9	184.1
656.4	3.3	39.1	37.6	24.4	128.3	43.3	191.6	188.9
669.2	3.4	39.0	38.2	24.9	129.7	43.4	197.3	193.3
680.9	3.5	38.8	38.7	25.2	131.2	43.6	202.9	197.1
690.6	3.5	38.8	39.1	25.4	132.8	43.5	207.5	199.9
698.2	3.6	38.3	39.5	25.6	134.5	43.3	211.6	201.9
705.1	3.7	38.0	39.8	25.7	136.1	43.1	215.4	203.2
713.0	3.7	38.0	40.1	26.0	137.7	43.1	219.9	204.6
721.6	3.8	38.1	40.3	26.3	139.3	43.1	224.5	206.2
730.6	3.8	38.2	40.4	26.7	141.0	43.1	229.4	207.9
740.7	3.9	38.5	40.6	27.2	142.5	43.2	234.9	210.0
750.3	3.9	39.0	40.7	27.5	144.2	43.1	239.7	212.3
759.9	3.9	39.4	40.7	27.8	145.8	43.0	244.3	214.8



# San Benito County Economic Forecast

San Benito's varied economic base is dominated by the government, retail trade, and manufacturing industries. Employment in government, the largest industry in the county, has been growing steadily over the last five years, accounting for 18 percent of total employment in 2002. Within government, the majority of jobs are in local government.

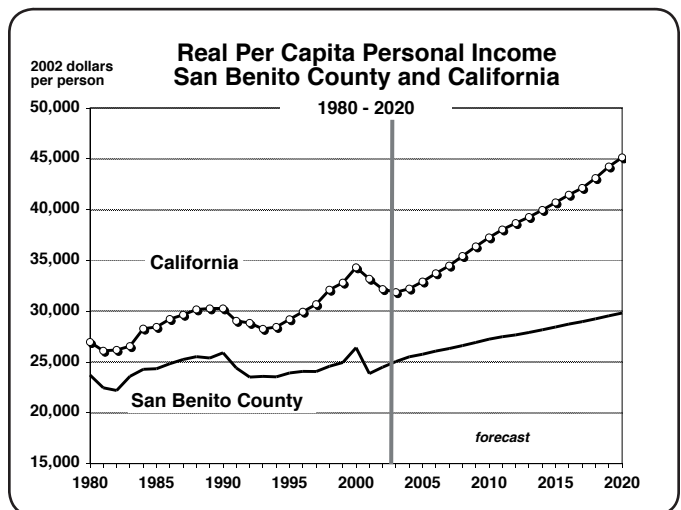
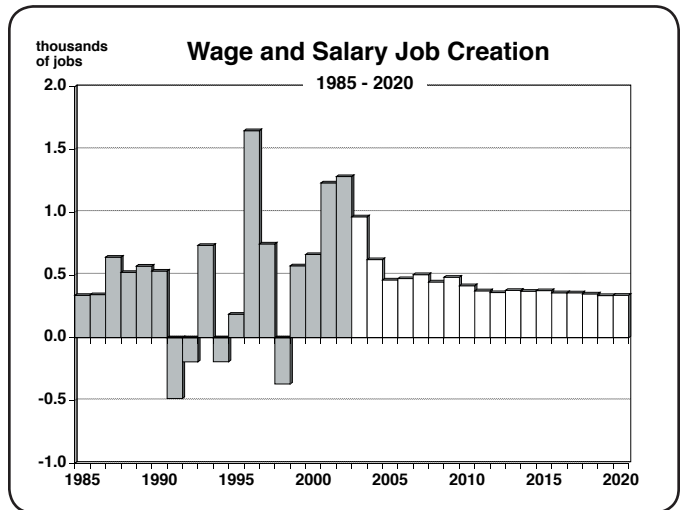
Out-of-county employment is a significant factor in the local economy as many San Benito residents commute to Santa Cruz, Monterey, and Santa Clara counties to work. However, residential expansion, the development of transportation systems, and the county's proximity to the Silicon Valley continue to encourage economic development. There are 56,300 residents in the County, as of January 2003. Total wage and salary employment accounts for 17,420 jobs, or 31 percent of the population. The other 69 percent of the population is either not in the labor force or employed in adjacent counties.

San Benito is a largely agricultural county, creating a diverse landscape of vineyards, crop land, fruit and nut orchards, and grazing pastures for cattle and sheep. The agriculture industry employs 14 percent of total employment, and uses over half of the county's land area. The total value of agricultural products was \$218 million in 2002.

Between 1997 and 2002, nearly 3,000 homes were permitted in the county. This rate of production has encouraged positive net migration, averaging 1,000 persons per year.

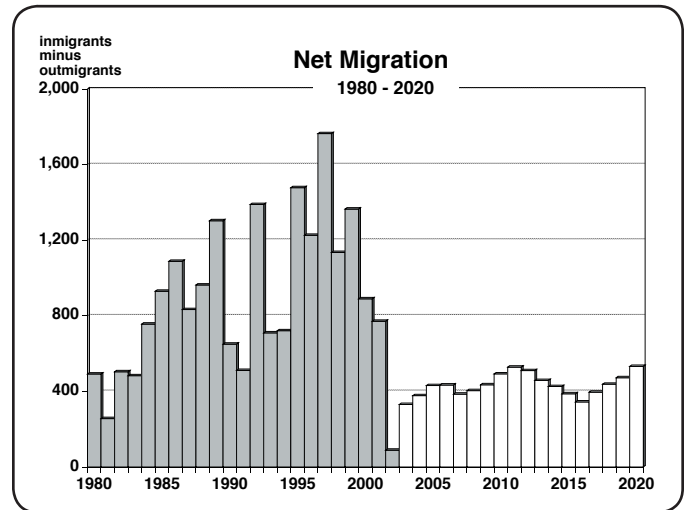
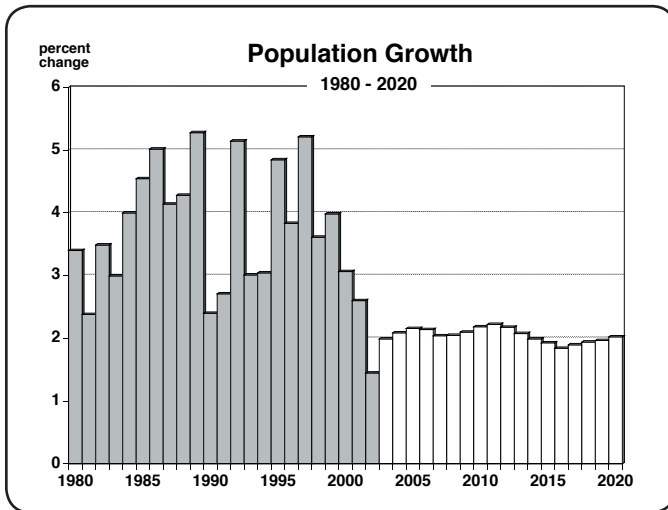
## Forecast Highlights

- The county is forecast to create 2,500 new non-farm wage and salary jobs between 2003 and 2008. The forecast rate of job growth averages 2.6 percent per year. Public sector employment is forecast to increase by 560 jobs between 2003 and 2008, with nearly all of the new jobs created in the state and local government sector.
- Real per capita income rises 1.2 percent per year over the next 5 years. Total inflation-adjusted personal income increases 3.1 percent per year.
- The unemployment rate is forecast to remain in the 9 to 10 percent range over the next 5 years. However, the county is diversifying and more jobs will be created



in the non-farm sector over the longer term, causing the rate of unemployment to decline more rapidly after 2008.

- Population growth averages 2.1 percent per year between 2003 and 2008. The natural increase is the principal engine of population growth. But net migration also contributes significantly to an expanding population. The number of net migrants is forecast to average 400 per year over the next 5 years.
- Approximately 235 new homes are permitted each year over the next 5 years. That rate of building is not enough to keep housing densities or housing prices from rising further throughout the county.



## San Benito County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	44,350	1,478	36.3	13.0	422	\$0.2	\$0.8	\$23,930	\$161	\$0.3
1996	46,050	1,226	38.2	13.4	443	\$0.2	\$0.9	\$24,083	\$160	\$0.5
1997	48,450	1,764	37.9	13.8	630	\$0.2	\$1.0	\$24,073	\$165	\$0.6
1998	50,200	1,135	41.9	14.4	745	\$0.2	\$1.1	\$24,590	\$161	\$0.5
1999	52,200	1,365	44.9	14.9	581	\$0.2	\$1.2	\$24,957	\$180	\$0.7
2000	53,800	890	49.0	15.9	541	\$0.3	\$1.3	\$26,419	\$209	\$0.9
2001	55,200	771	52.2	16.1	340	\$0.3	\$1.3	\$23,863	\$209	\$1.0
2002	56,000	89	55.0	16.6	150	\$0.3	\$1.4	\$24,499	\$218	\$1.5
2003	57,115	331	56.7	16.8	166	\$0.3	\$1.5	\$25,046	\$221	\$1.8
2004	58,308	378	58.5	17.0	189	\$0.3	\$1.6	\$25,513	\$225	\$2.0
2005	59,566	431	60.4	17.2	223	\$0.4	\$1.7	\$25,766	\$231	\$2.1
2006	60,841	434	62.4	17.4	281	\$0.4	\$1.8	\$26,079	\$237	\$2.2
2007	62,083	386	64.4	17.7	265	\$0.4	\$1.9	\$26,327	\$244	\$2.3
2008	63,355	404	66.6	18.0	289	\$0.4	\$2.0	\$26,615	\$251	\$2.3
2009	64,686	435	68.8	18.3	275	\$0.5	\$2.1	\$26,934	\$259	\$2.3
2010	66,099	493	71.1	18.6	255	\$0.5	\$2.2	\$27,248	\$267	\$2.4
2011	67,568	528	73.4	18.8	301	\$0.5	\$2.4	\$27,495	\$276	\$2.5
2012	69,040	510	75.7	19.1	304	\$0.6	\$2.5	\$27,668	\$286	\$2.5
2013	70,474	458	78.0	19.4	255	\$0.6	\$2.6	\$27,917	\$296	\$2.6
2014	71,878	426	80.3	19.7	245	\$0.6	\$2.8	\$28,172	\$305	\$2.7
2015	73,264	388	82.5	20.0	283	\$0.7	\$3.0	\$28,445	\$315	\$2.7
2016	74,614	344	84.6	20.3	262	\$0.7	\$3.1	\$28,736	\$326	\$2.7
2017	76,030	396	86.7	20.5	290	\$0.7	\$3.3	\$28,976	\$337	\$2.8
2018	77,506	438	88.8	20.8	241	\$0.8	\$3.5	\$29,254	\$348	\$2.8
2019	79,030	473	90.9	21.1	228	\$0.8	\$3.7	\$29,549	\$360	\$2.9
2020	80,630	532	92.9	21.3	259	\$0.9	\$3.9	\$29,821	\$372	\$2.9

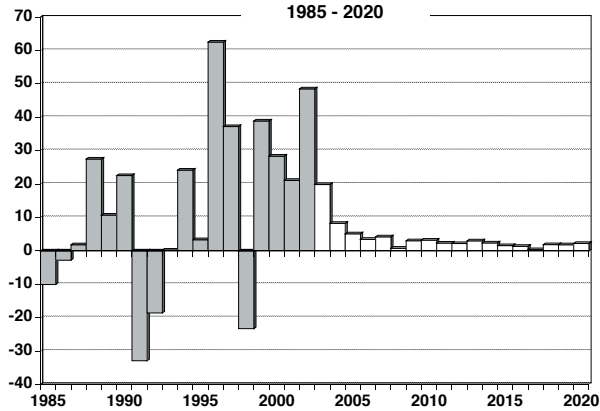
- The median home selling price (adjusted for general price inflation) was \$357,000 in 2002. It is projected to increase at the rate of 2 percent per year on average between 2003 and 2008.



average annual  
percent change

### Real Industrial Production

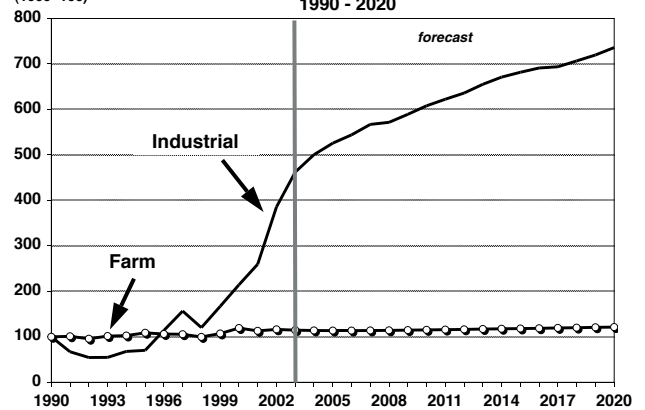
1985 - 2020



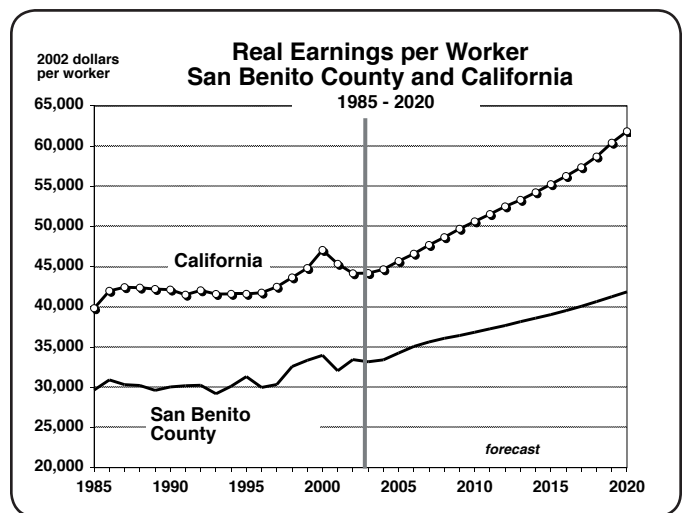
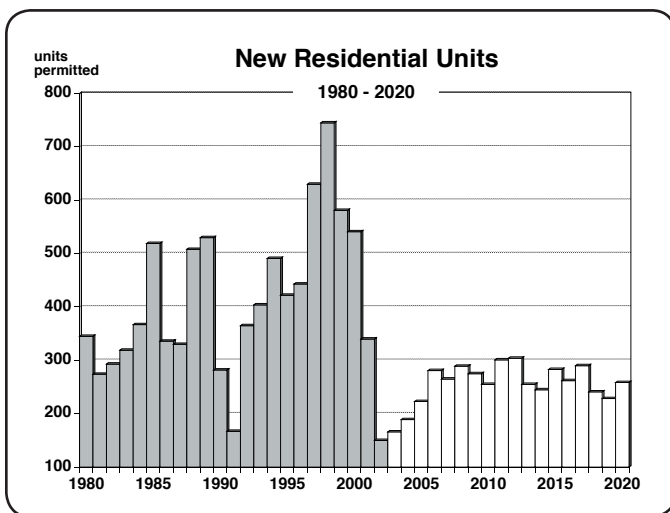
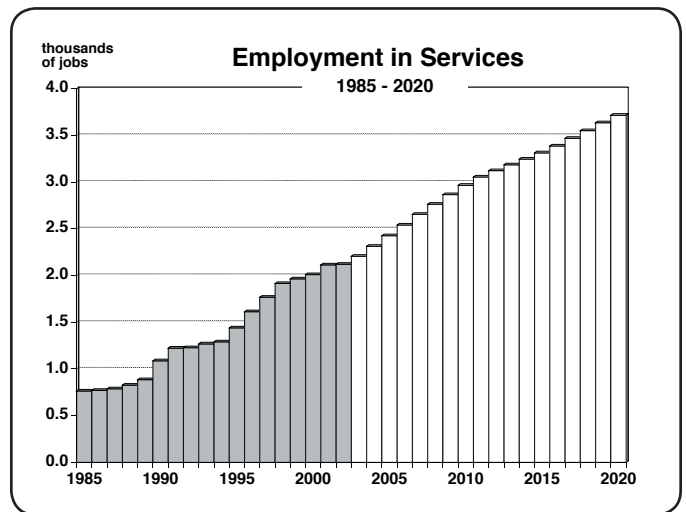
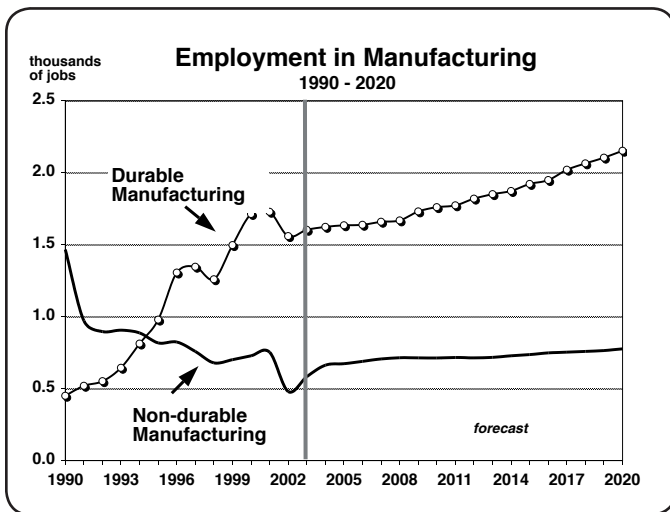
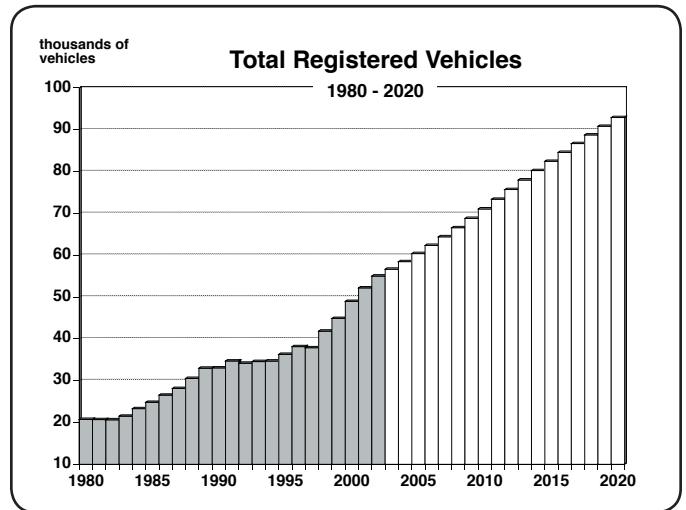
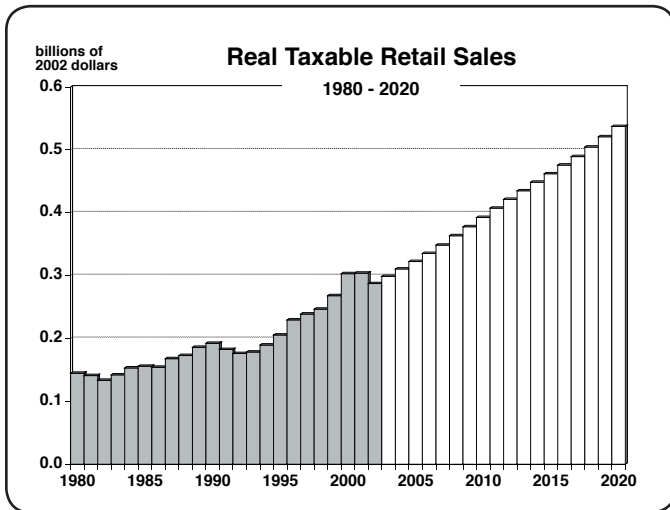
inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
11.6	2.5	3.2	1.8	0.3	2.7	0.3	1.4	2.2
13.3	2.6	3.4	2.1	0.4	3.1	0.3	1.6	2.3
14.0	2.2	3.3	2.1	0.3	3.5	0.4	1.8	2.5
13.7	2.0	3.2	1.9	0.3	3.6	0.4	1.9	2.6
14.2	2.0	3.3	2.2	0.3	3.7	0.4	2.0	2.7
14.9	1.9	3.2	2.4	0.3	3.8	0.4	2.0	2.8
16.1	2.4	3.5	2.5	0.3	4.0	0.3	2.1	2.8
17.4	2.4	2.5	2.0	0.3	4.0	0.4	2.1	3.1
18.4	2.4	3.8	2.2	0.3	4.0	0.4	2.2	3.1
19.0	2.4	4.1	2.3	0.3	4.1	0.4	2.3	3.2
19.5	2.4	4.2	2.3	0.3	4.1	0.4	2.4	3.3
19.9	2.4	4.2	2.3	0.3	4.3	0.4	2.5	3.4
20.4	2.4	4.3	2.4	0.3	4.5	0.4	2.7	3.6
20.9	2.4	4.3	2.4	0.3	4.7	0.4	2.8	3.7
21.4	2.4	4.3	2.4	0.3	4.9	0.4	2.9	3.8
21.8	2.4	4.3	2.5	0.3	5.1	0.4	3.0	3.9
22.2	2.4	4.3	2.5	0.3	5.2	0.4	3.1	4.0
22.5	2.4	4.3	2.5	0.3	5.4	0.4	3.1	4.1
22.9	2.4	4.3	2.6	0.3	5.5	0.4	3.2	4.2
23.3	2.4	4.4	2.6	0.3	5.7	0.4	3.2	4.3
23.6	2.4	4.4	2.7	0.3	5.8	0.4	3.3	4.4
24.0	2.4	4.4	2.7	0.3	5.9	0.4	3.4	4.4
24.4	2.4	4.5	2.8	0.3	6.1	0.4	3.5	4.5
24.7	2.4	4.5	2.8	0.3	6.2	0.4	3.6	4.6
25.0	2.4	4.5	2.9	0.3	6.3	0.4	3.6	4.7
25.4	2.4	4.5	2.9	0.3	6.4	0.4	3.7	4.8



# San Bernardino County Economic Forecast

San Bernardino is the largest county in the United States, comprising in excess of 20,000 square miles. About ninety percent of the county is desert; the remainder consists of the San Bernardino Valley and the San Bernardino Mountains.

Most of the population is centered in the western half of the county, due mainly to the availability of land, water, and access to major transportation facilities, such as Ontario International Airport.

The county population grew 2.5 percent in 2003, to 1.83 million. The city of Rancho Cucamonga is the fastest growing municipality in the county, with population growth at nearly 7 percent in 2002. More retail infrastructure is being planned for Rancho Cucamonga than in any other city of the county.

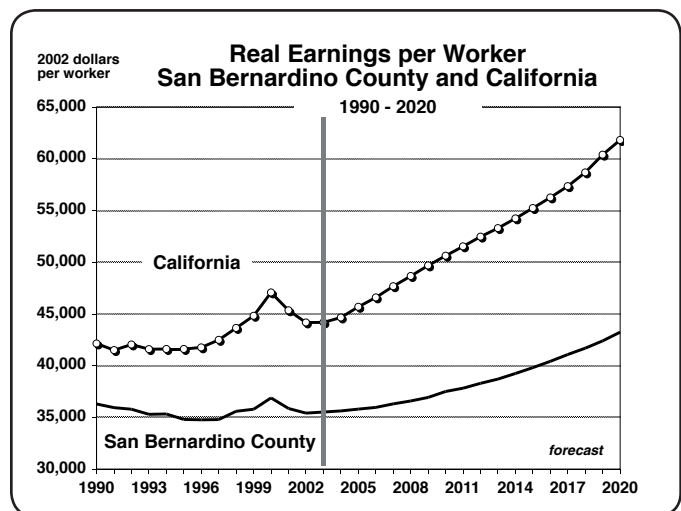
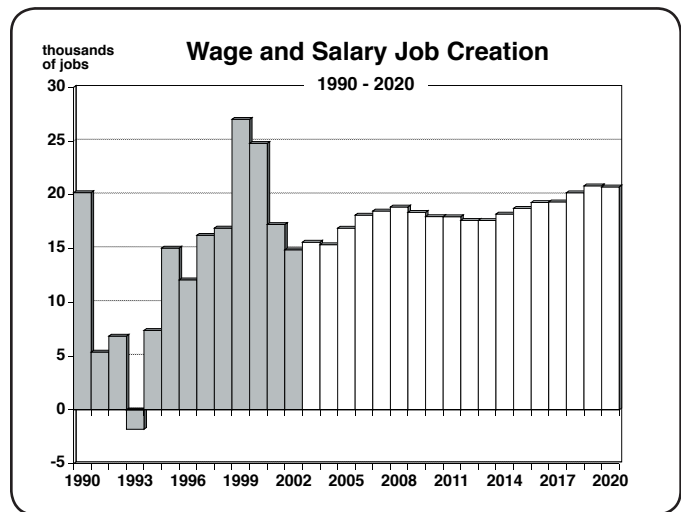
During this decade, Ontario Airport will rapidly expand freight and passenger service as Orange County declines to do so. Businesses wanting to expand in Orange and Los Angeles counties will move to more reasonably priced land and accommodations in Ontario, Fontana, Corona, Temecula, Riverside and other cities in the Inland Empire.

## Population – Selected Cities • January 2003

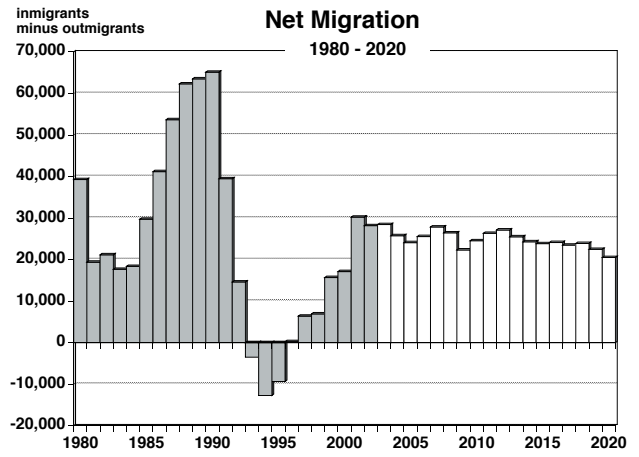
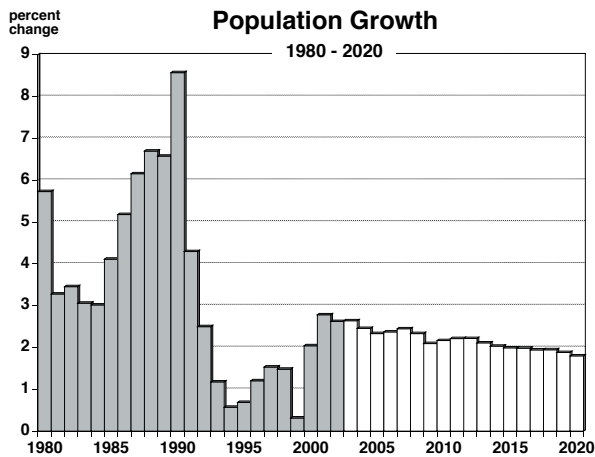
City	Population	2002-2003 % change
Apple Valley	58,900	3.2
Barstow	23,000	2.7
Fontana	145,800	4.3
Ontario	165,700	1.6
Rancho Cucamonga	146,700	6.5
San Bernardino	194,100	1.4
Victorville	72,500	4.0
<b>Total County</b>	<b>1,833,000</b>	<b>2.5</b>

## Forecast Highlights

- Forecast for Population: Net migration into the region averages 24,000 persons per year for the next 5 years. Population growth accelerates from 1.9 percent between 1997 and 2002 to 2.3 percent per year between 2003 and 2008.



- Forecast for Employment: Nearly 90,000 new wage and salary jobs are created between 2003 and 2008. The compound rate of growth between 2003 and 2008 is 2.8 percent per year. The unemployment rate is forecast to remain in a range of between 4.7 and 6 percent for the next several years.
- Forecast for Personal Income: Total inflation-adjusted personal income rises an average of 2.8 percent per year between 2003 and 2008. This compares to an average increase of 4 percent in real personal income between 1997 and 2002. Real per capita personal income increases 0.5 percent per year over the next 5 years.

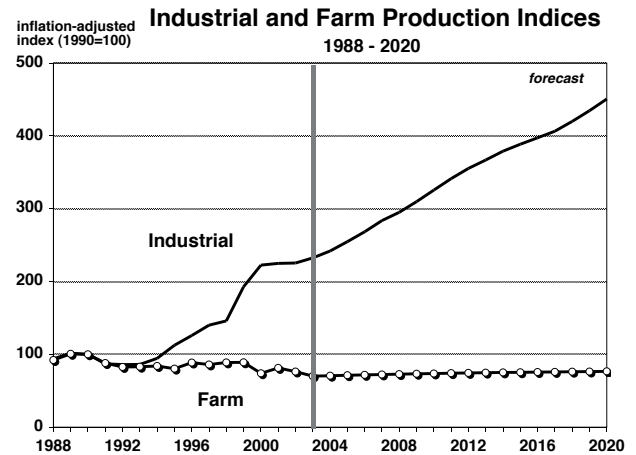
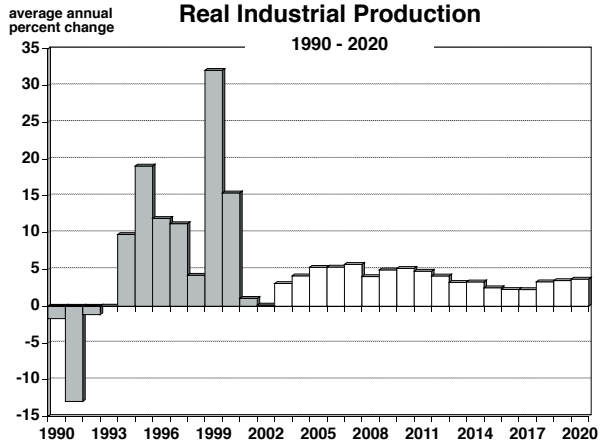


## San Bernardino County Economic Forecast

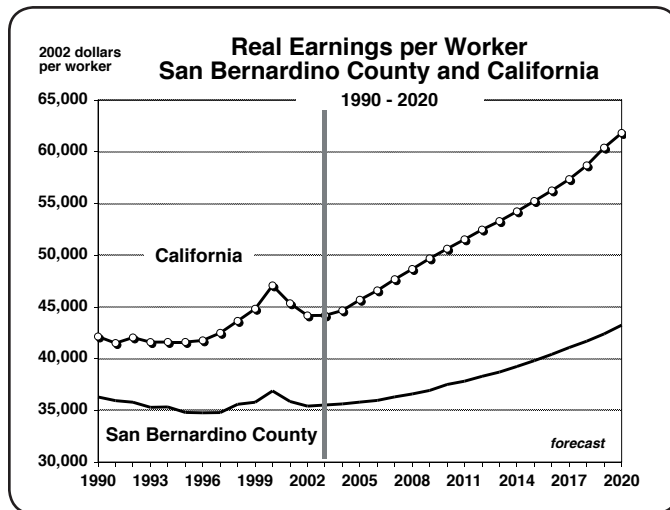
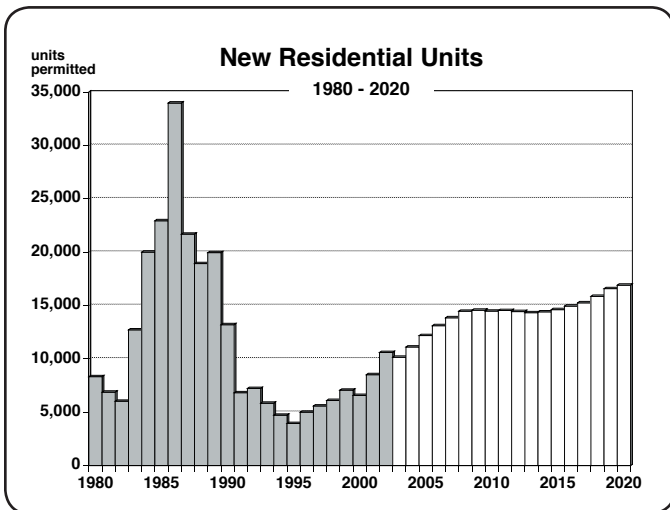
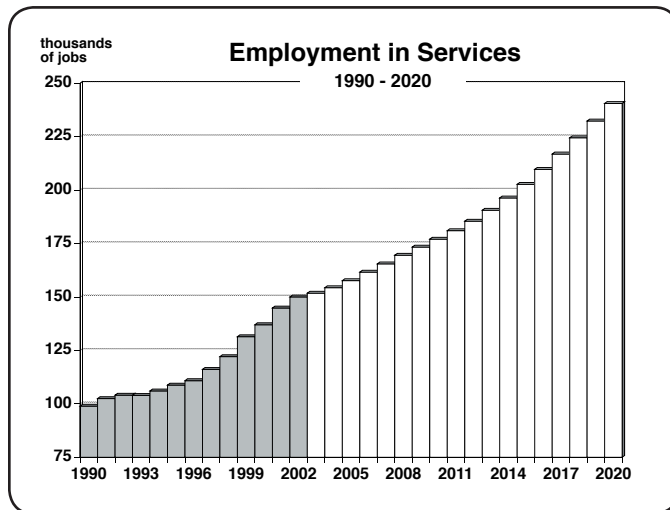
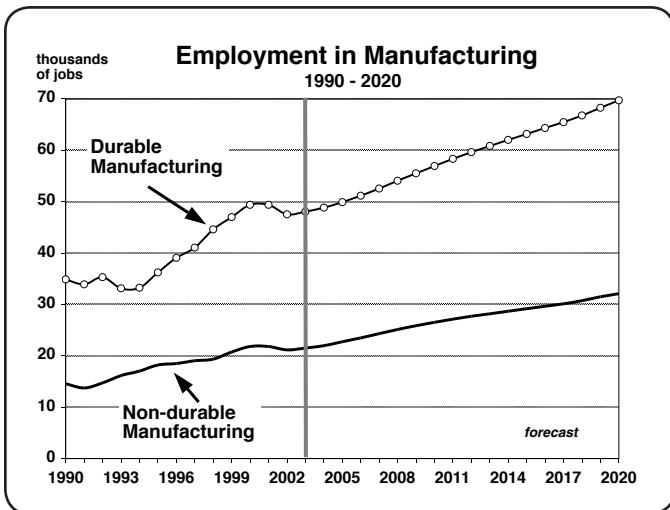
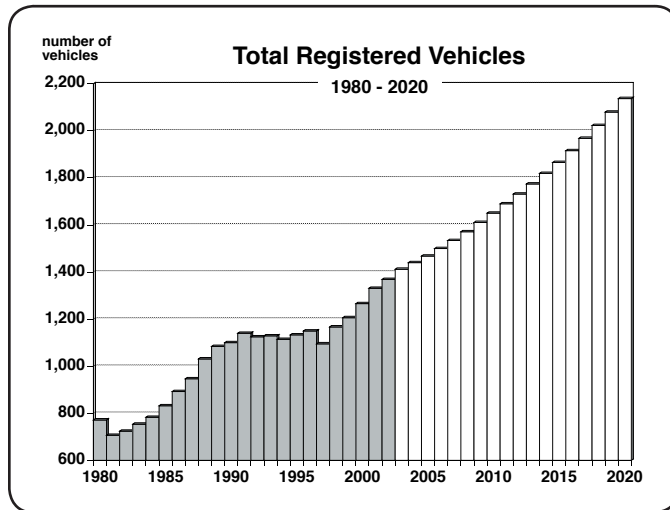
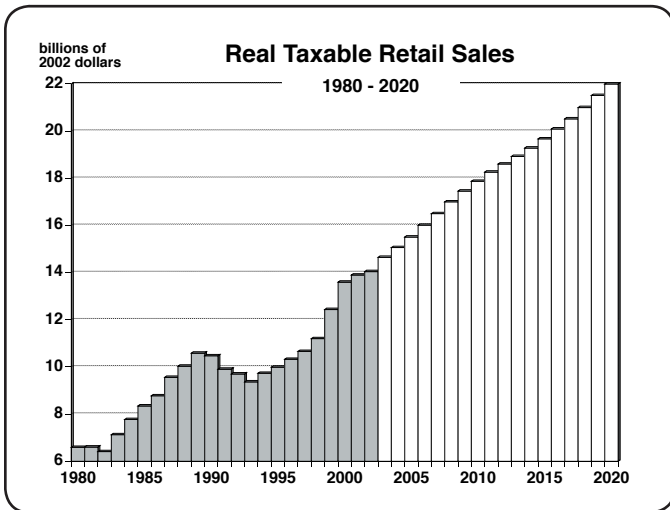
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,609,000	-9,341	1,133	499.5	3,953	\$8.5	\$28.6	\$20,938	\$606.5	\$14.3
1996	1,628,400	266	1,150	502.9	5,014	\$8.9	\$29.6	\$21,049	\$681.3	\$16.1
1997	1,653,400	6,403	1,095	506.2	5,593	\$9.4	\$31.2	\$21,475	\$671.6	\$17.9
1998	1,677,900	6,936	1,167	510.9	6,113	\$10.0	\$33.4	\$22,387	\$703.5	\$18.6
1999	1,683,200	15,697	1,206	515.9	7,072	\$11.3	\$35.3	\$23,038	\$722.2	\$24.6
2000	1,717,600	17,129	1,266	526.9	6,580	\$12.8	\$38.9	\$24,073	\$620.0	\$28.4
2001	1,765,400	30,229	1,331	532.8	8,527	\$13.5	\$41.6	\$24,200	\$704.1	\$28.7
2002	1,811,700	28,179	1,369	539.1	10,608	\$14.1	\$43.6	\$24,065	\$678.7	\$28.7
2003	1,859,545	28,438	1,412	556.2	10,156	\$15.0	\$45.3	\$23,801	\$638.2	\$29.6
2004	1,905,259	25,759	1,440	568.4	11,120	\$15.8	\$47.4	\$23,751	\$659.1	\$30.8
2005	1,949,731	24,097	1,468	580.8	12,185	\$16.7	\$49.9	\$23,834	\$680.7	\$32.5
2006	1,996,011	25,555	1,500	593.5	13,117	\$17.6	\$52.7	\$23,992	\$702.4	\$34.2
2007	2,044,892	27,859	1,534	606.8	13,855	\$18.6	\$55.3	\$24,035	\$723.9	\$36.2
2008	2,092,631	26,459	1,572	620.6	14,463	\$19.6	\$58.3	\$24,218	\$745.5	\$37.6
2009	2,136,486	22,333	1,611	634.6	14,562	\$20.5	\$61.4	\$24,436	\$767.3	\$39.5
2010	2,182,793	24,545	1,650	648.6	14,475	\$21.6	\$64.6	\$24,547	\$790.9	\$41.5
2011	2,231,145	26,333	1,690	662.3	14,532	\$22.6	\$67.9	\$24,611	\$815.2	\$43.5
2012	2,280,591	27,141	1,732	675.9	14,436	\$23.6	\$71.4	\$24,706	\$840.0	\$45.3
2013	2,328,740	25,500	1,774	689.3	14,332	\$24.6	\$75.2	\$24,816	\$865.6	\$46.8
2014	2,376,078	24,300	1,819	702.6	14,409	\$25.7	\$79.2	\$25,012	\$890.2	\$48.3
2015	2,423,408	23,850	1,866	715.9	14,620	\$26.9	\$83.4	\$25,222	\$914.9	\$49.5
2016	2,471,516	24,125	1,916	729.4	14,947	\$28.1	\$88.1	\$25,475	\$941.0	\$50.7
2017	2,519,571	23,500	1,968	743.1	15,259	\$29.5	\$93.2	\$25,761	\$968.9	\$51.8
2018	2,568,653	23,888	2,023	757.1	15,859	\$30.9	\$98.6	\$26,093	\$996.4	\$53.5
2019	2,617,004	22,475	2,080	771.6	16,581	\$32.4	\$104.4	\$26,462	\$1,023.9	\$55.4
2020	2,664,102	20,500	2,137	786.6	16,910	\$34.0	\$110.5	\$26,898	\$1,050.6	\$57.5

- **Forecast for Average Salaries:** The average salary per worker in 2002 was \$35,400. Real inflation-adjusted salaries rise an average of 0.6 percent per year during the remaining 7 years of the decade. Average salaries are slightly higher in San Bernardino County than in Riverside County.
- **Forecast for Housing:** An average of 12,500 residential units are permitted per year during the next 5 years. This is a significant acceleration in housing production compared to the last 5 years when an average of 7,415 units were permitted per year in San Bernardino County. Real home values are forecast to rise an average of 5.4 percent per year.



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
446.4	4.5	21.3	54.4	29.3	117.5	15.6	108.8	94.8
458.5	4.4	22.4	57.6	30.1	119.8	15.9	110.9	97.5
474.7	4.2	24.0	60.1	30.9	123.6	16.3	116.2	99.4
491.6	4.1	26.3	63.9	33.1	124.8	16.6	122.1	100.8
518.6	4.1	29.5	67.7	35.3	128.7	17.0	131.5	104.9
543.4	4.0	32.6	71.2	36.6	137.1	16.9	137.1	108.0
560.7	3.9	34.8	71.2	37.2	140.5	17.9	144.9	110.4
575.5	3.9	35.5	68.7	37.2	144.5	18.6	150.1	117.1
591.1	5.0	35.9	69.6	38.5	150.9	19.3	151.8	120.2
606.5	5.1	36.5	70.8	40.0	156.9	19.7	154.4	123.0
623.4	5.3	37.3	72.6	41.5	163.1	20.0	157.7	125.9
641.5	5.4	38.1	74.6	43.2	169.5	20.2	161.7	128.8
660.0	5.5	39.0	76.8	44.8	176.0	20.4	165.5	132.1
678.9	5.5	40.0	79.2	46.2	182.6	20.5	169.6	135.4
697.3	5.5	40.9	81.3	47.7	189.2	20.5	173.4	138.7
715.3	5.5	41.7	83.4	49.2	195.9	20.5	177.1	142.0
733.2	5.5	42.4	85.4	50.6	202.4	20.4	181.1	145.4
750.9	5.5	43.0	87.3	51.6	208.9	20.2	185.5	148.8
768.5	5.5	43.5	89.0	52.4	215.1	20.1	190.6	152.2
786.7	5.5	43.9	90.7	53.3	221.1	20.0	196.4	155.8
805.4	5.5	44.4	92.3	54.2	226.9	19.9	202.7	159.5
824.7	5.6	44.8	94.0	55.2	232.6	19.7	209.7	163.3
844.1	5.6	45.2	95.6	56.1	238.0	19.6	216.9	167.1
864.3	5.7	45.7	97.5	57.0	243.4	19.5	224.5	171.1
885.1	5.7	46.3	99.7	57.8	248.6	19.4	232.4	175.2
905.8	5.7	46.9	101.8	58.5	253.6	19.3	240.6	179.3



# San Diego County Economic Forecast

San Diego County still ranks as the third most-populated county in California, behind Los Angeles and Orange Counties. There are nearly 3 million residents in the county, and 1.3 million live in the City of San Diego. The population grew at a 1.9 percent rate between 2001 and 2002. By the year 2008, the population is projected to reach 3.22 million, and 3.9 million by 2020.

The principal employment clusters of growth in San Diego County are biotechnology, software, electronics, communications, and medical services.

Biotechnology is principally located in the North County area, as is software development and medical products manufacturing. The North County areas of employment cluster importance include the coastal areas of Del Mar, Encinitas, and Oceanside, and the inland areas of Poway, Escondido, and Vista. The North County areas have much higher housing prices and a more affluent population than the South County communities.

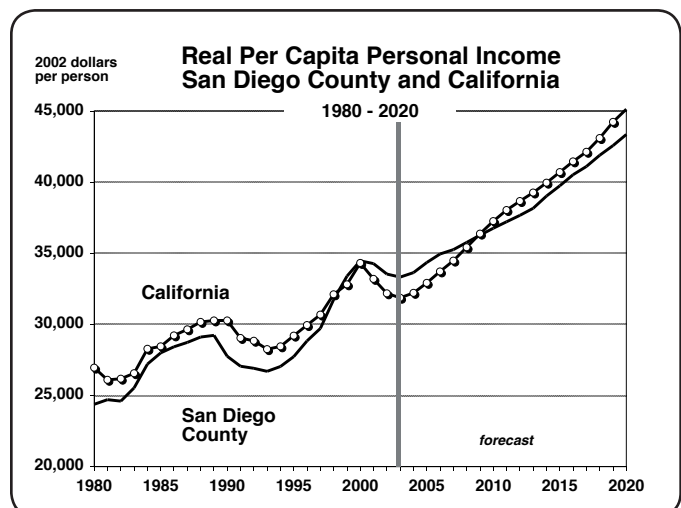
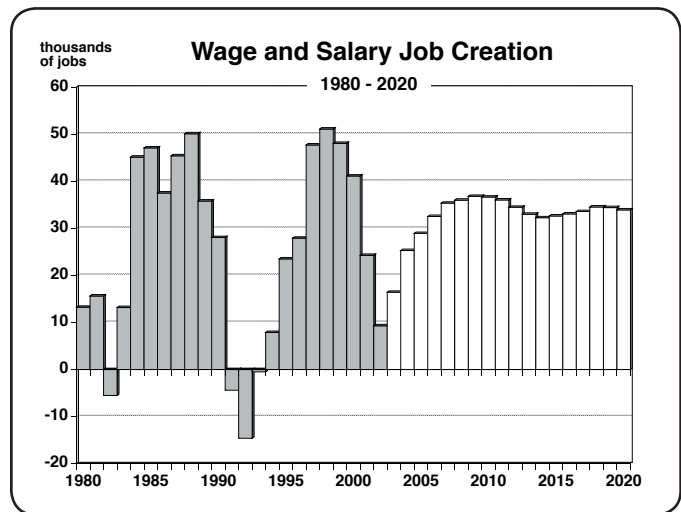
Last year, there were rapid population increases in the south, namely in National City, Chula Vista, and Coronado. However, the inland areas are likely to experience the most growth in future years, because of the availability of land for housing. Infrastructure remains a problem in San Diego, especially the extent and the improvement of highways.

In 2002, employment was dominated by services, retail trade, and the public sector. Together these three industries accounted for 73 percent (908,000) of the total employment (1.24 million) in the county.

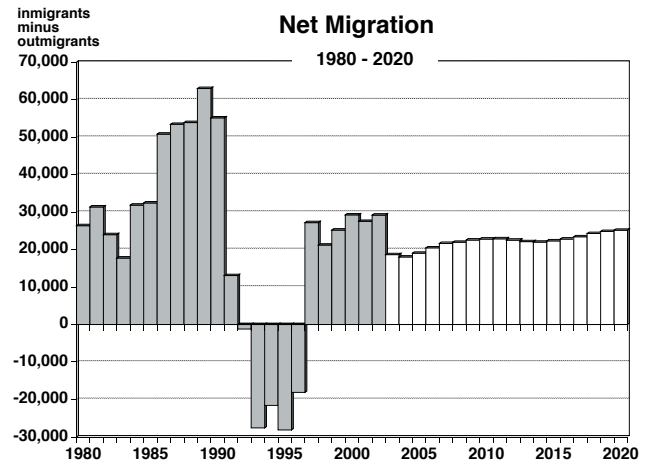
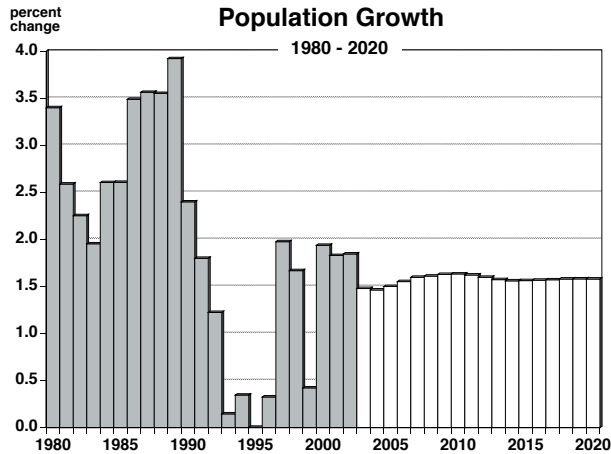
Over the next 5 years, the momentum for employment growth remains in services, especially healthcare services which support an aging population, and professional and technical services which comprises the technology sectors. More North County growth, particularly in the inland areas, will dominate new economic activity in San Diego County.

## Forecast Highlights

- Over the next 5 years, population growth in San Diego County is forecast to remain consistent with the last 5 years, averaging 1.5 percent per year. Net migration is expected to decline because job growth is forecast to slow over the current decade. The natural increase in population will become more important later in the decade.



- Employment growth slowed in 2001 and 2002. It is forecast to accelerate in 2004 and beyond, but at rates of increase which never match the “internet-boom” period of the late 1990s. The forecast calls for 25,000 new jobs in the county in 2004, and 30,000 jobs each year after that for the remainder of the decade. After 2010, job growth is forecast to remain relatively constant at 2.0 percent per year.
- More housing is built in the North County areas, especially the inland areas of Vista, Poway and the unincorporated areas in-between. New residential units averaged 14,300 per year between 1997 and 2002. Housing production is forecast to increase to nearly 17,000 units per year between 2003 and 2008.



## San Diego County Economic Forecast

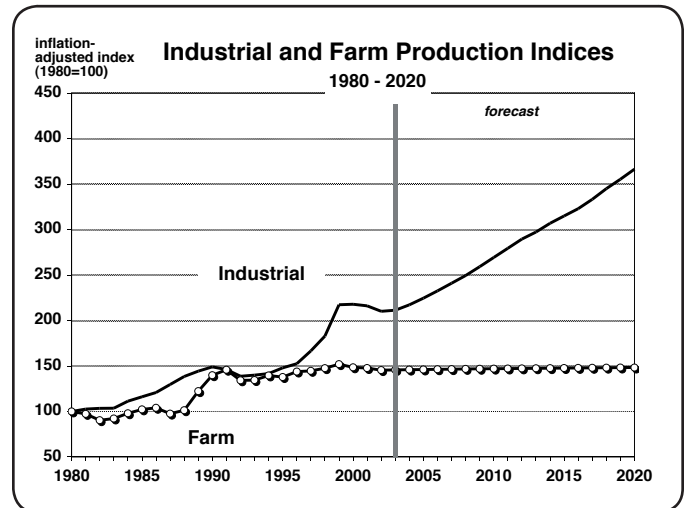
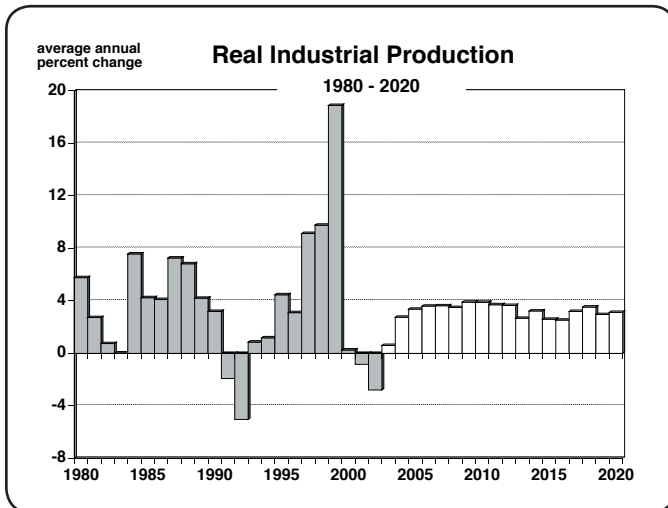
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	2,657,800	-28,122	1,984	932	6,608	\$16.2	\$62.6	\$27,733	\$1,049	\$16.1
1996	2,666,500	-18,112	2,026	938	6,868	\$17.1	\$66.4	\$28,838	\$1,114	\$16.6
1997	2,719,200	27,207	1,949	944	11,402	\$18.4	\$71.0	\$29,722	\$1,139	\$18.1
1998	2,764,600	21,220	2,099	952	12,173	\$19.9	\$78.2	\$31,747	\$1,178	\$19.8
1999	2,776,300	25,228	2,165	962	16,427	\$22.2	\$84.5	\$33,393	\$1,243	\$23.6
2000	2,830,100	29,264	2,273	992	15,927	\$25.0	\$91.8	\$34,474	\$1,254	\$23.6
2001	2,881,900	27,548	2,353	1,004	15,650	\$26.3	\$96.1	\$34,276	\$1,290	\$23.4
2002	2,935,100	29,222	2,398	1,016	14,234	\$27.1	\$98.4	\$33,538	\$1,305	\$22.8
2003	2,978,529	18,660	2,423	1,030	14,117	\$28.1	\$101.5	\$33,321	\$1,337	\$22.9
2004	3,022,143	18,040	2,454	1,043	15,291	\$29.6	\$106.6	\$33,641	\$1,372	\$23.6
2005	3,067,493	19,044	2,487	1,058	16,362	\$31.4	\$113.1	\$34,349	\$1,408	\$24.4
2006	3,115,139	20,473	2,518	1,074	17,750	\$33.4	\$119.7	\$34,948	\$1,444	\$25.2
2007	3,164,938	21,663	2,553	1,091	18,723	\$35.3	\$125.5	\$35,257	\$1,479	\$26.1
2008	3,215,919	21,969	2,586	1,109	19,168	\$37.4	\$132.3	\$35,762	\$1,514	\$27.1
2009	3,268,312	22,558	2,633	1,127	19,118	\$39.7	\$139.5	\$36,277	\$1,551	\$28.1
2010	3,321,704	22,834	2,684	1,145	18,395	\$42.2	\$147.2	\$36,761	\$1,591	\$29.2
2011	3,375,608	22,883	2,720	1,163	17,704	\$44.8	\$155.3	\$37,213	\$1,632	\$30.3
2012	3,429,546	22,539	2,771	1,180	17,277	\$47.5	\$163.8	\$37,671	\$1,676	\$31.4
2013	3,483,533	22,126	2,812	1,197	19,072	\$50.4	\$172.9	\$38,159	\$1,721	\$32.2
2014	3,537,914	21,993	2,857	1,215	20,205	\$53.3	\$184.0	\$39,025	\$1,765	\$33.3
2015	3,593,233	22,338	2,893	1,234	20,885	\$56.5	\$194.9	\$39,745	\$1,809	\$34.2
2016	3,649,546	22,833	2,929	1,254	21,200	\$59.9	\$206.9	\$40,519	\$1,855	\$35.0
2017	3,706,903	23,427	2,964	1,275	21,263	\$63.6	\$218.7	\$41,101	\$1,906	\$36.1
2018	3,765,493	24,307	3,000	1,295	21,226	\$67.4	\$232.1	\$41,887	\$1,955	\$37.4
2019	3,825,052	24,848	3,035	1,315	21,128	\$71.4	\$245.4	\$42,570	\$2,003	\$38.5
2020	3,885,503	25,179	3,075	1,336	20,958	\$75.4	\$259.7	\$43,352	\$2,051	\$39.7

- The average salary in the county was \$44,166 in 2002. Inflation-adjusted salaries increased an average of 0.84 percent per year between 1997 and 2002. That rate is expected to increase slightly over the next 5 years,

to 1.4 percent per year. Real per capita income will slow, to a compound average annual rate of 1.4 percent between 2003 and 2008. The average rate of growth between 1997 and 2002 was 2.5 percent.

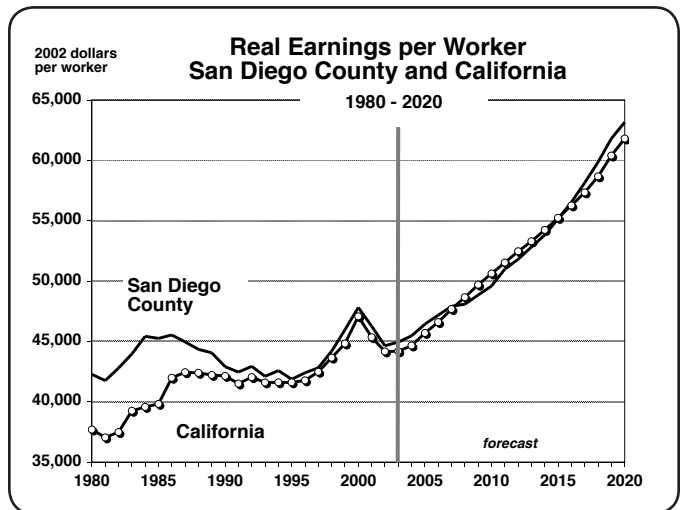
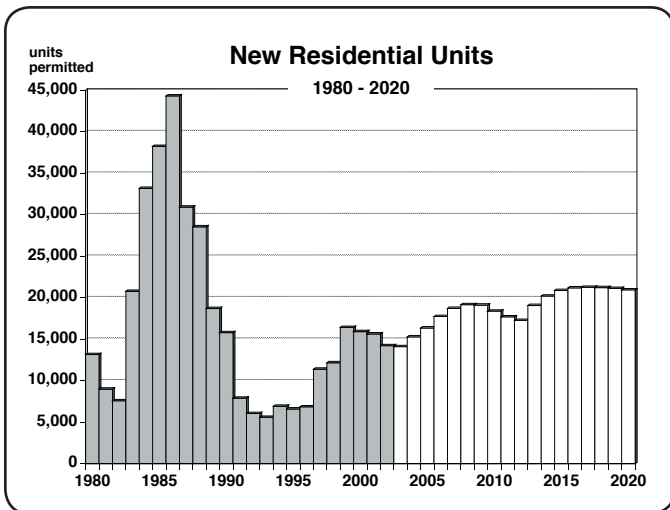
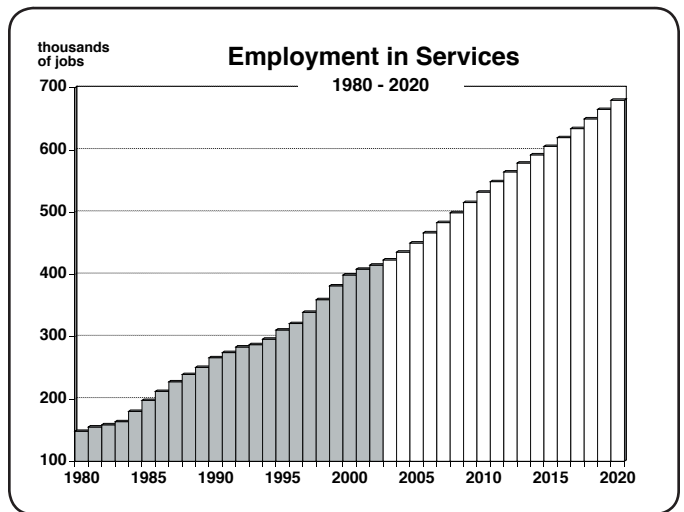
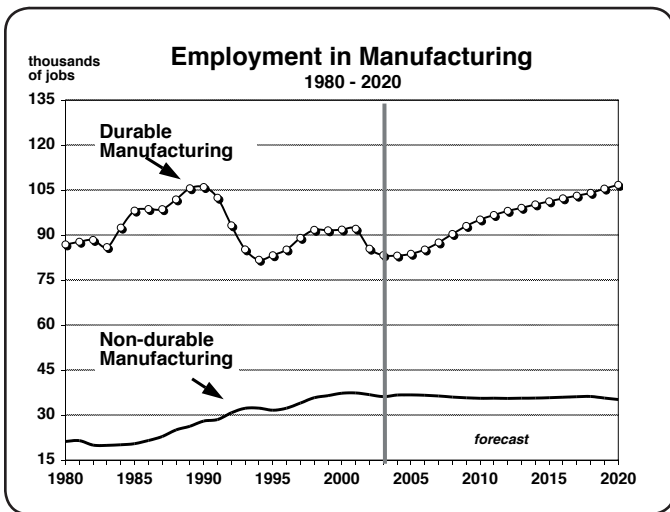
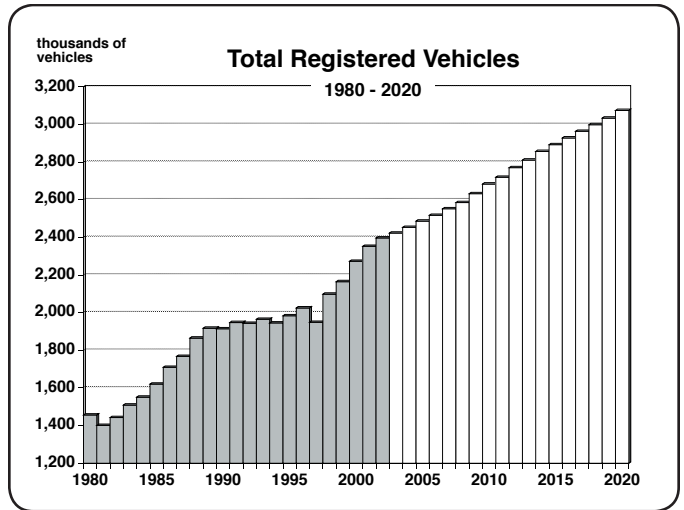
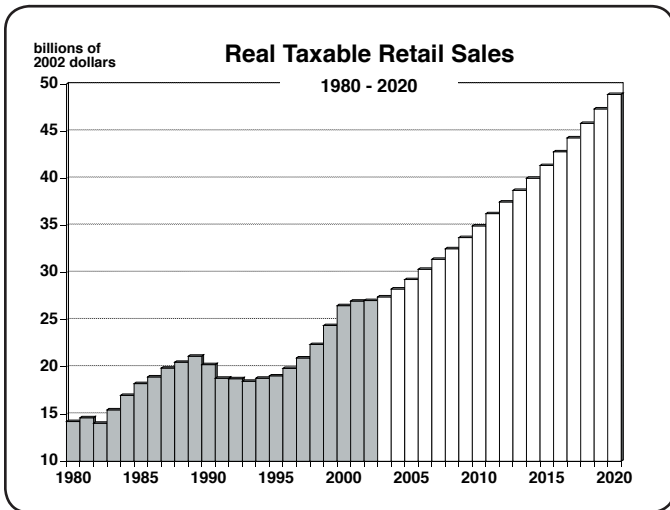




Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
989.3	10.8	43.6	0.3	114.9	37.4	229.5	55.8	310.9	186.1
1,017.2	11.0	45.5	0.4	117.5	38.3	235.9	57.4	321.2	190.1
1,065.0	10.8	53.0	0.4	123.1	41.6	244.0	60.9	339.3	192.0
1,116.1	10.6	61.8	0.3	127.6	47.0	249.4	65.3	359.6	194.5
1,164.1	11.2	67.0	0.3	128.1	51.3	256.5	68.7	381.7	199.3
1,205.2	11.4	70.0	0.4	129.2	50.8	268.1	69.5	399.2	206.6
1,229.5	11.0	73.4	0.3	129.5	51.0	271.1	70.8	408.5	213.9
1,238.8	10.1	75.2	0.3	122.3	50.5	274.3	72.6	415.0	218.5
1,255.2	10.1	75.3	0.3	119.5	50.8	281.8	73.8	423.4	220.4
1,280.5	10.1	75.8	0.3	119.9	51.1	289.0	74.9	435.9	223.6
1,309.5	10.1	76.7	0.3	120.5	51.5	296.2	76.1	450.6	227.5
1,342.0	10.1	78.2	0.3	121.8	52.0	303.4	77.4	467.0	231.9
1,377.3	10.1	80.3	0.3	123.9	52.6	310.6	78.8	483.4	237.4
1,413.3	10.1	82.6	0.3	126.4	53.2	317.8	80.2	499.2	243.6
1,450.1	10.1	84.8	0.3	128.8	53.9	325.0	81.6	515.6	250.0
1,486.8	10.0	86.6	0.3	130.8	54.7	332.3	83.1	532.3	256.5
1,522.8	10.0	88.1	0.3	132.4	55.5	339.7	84.5	549.1	263.3
1,557.3	10.0	89.4	0.3	133.7	56.3	347.0	85.9	564.7	270.1
1,590.3	10.0	90.7	0.3	134.7	57.1	354.2	87.2	578.9	277.1
1,622.5	10.0	92.2	0.3	135.9	57.8	361.3	88.6	592.2	284.1
1,655.1	10.0	93.7	0.3	137.1	58.6	368.4	90.1	605.8	291.2
1,688.2	10.0	95.0	0.3	138.2	59.3	375.6	91.6	619.8	298.4
1,721.8	10.0	96.2	0.3	139.3	60.1	382.8	93.1	634.4	305.7
1,756.3	10.0	97.3	0.3	140.3	60.8	390.0	94.6	650.0	312.9
1,790.7	10.0	98.5	0.3	141.2	61.7	397.2	96.2	665.1	320.3
1,824.7	10.0	99.5	0.3	142.0	62.5	404.3	97.7	679.8	327.6

- San Diego County experienced unprecedented home price appreciation between 1997 and 2002. The median selling price leaped 95 percent, to \$361,605. Adjusted for inflation, selling values are not expected to appreciate at rates which exceed 2 percent per year over the

next 5 years. In current year dollars, that translates into average annual appreciation rates of between 4.5 and 6 percent. Home prices are already at near unsustainable levels in many Southern California counties.



# San Francisco County Economic Forecast

San Francisco County is the principal labor market center of the West Bay region. Total non-farm employment in 2002 averaged 536,000 jobs. The county accounts for 54 percent of total non-farm jobs in the 3-county metro area that also includes Marin and San Mateo Counties.

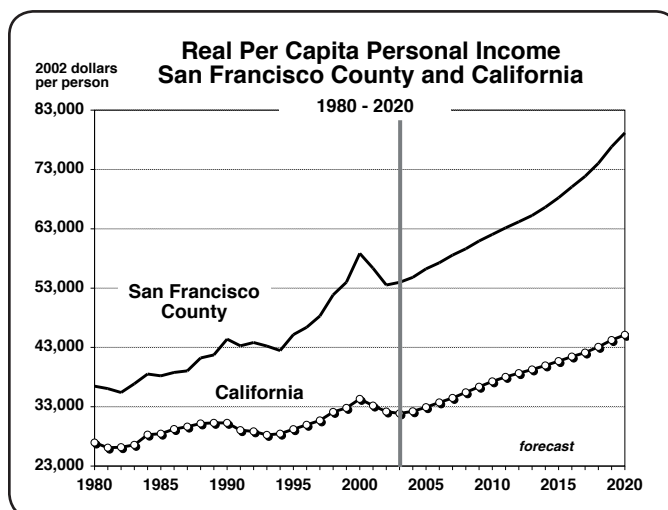
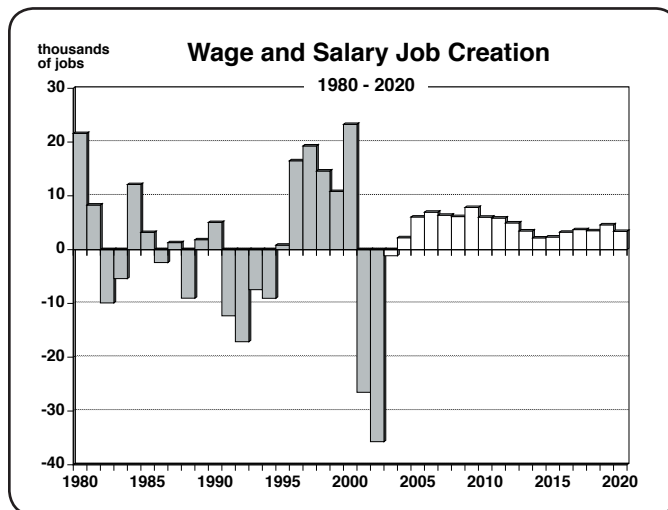
Between 1995 and 2000, the county created 85,000 jobs, a 17 percent increase in total non-farm wage and salary employment. Then from 2000 to 2002, 62,000 jobs were lost.

As of May 2003, the labor market in the broader metro region is off by another 22,000 jobs but the unemployment rate has remained relatively steady at 5.7 percent. A significant amount of the job loss has occurred in business services which includes the Internet provider, advertising, and website production businesses. The manufacturing and transportation sectors are also subject to large declines in employment.

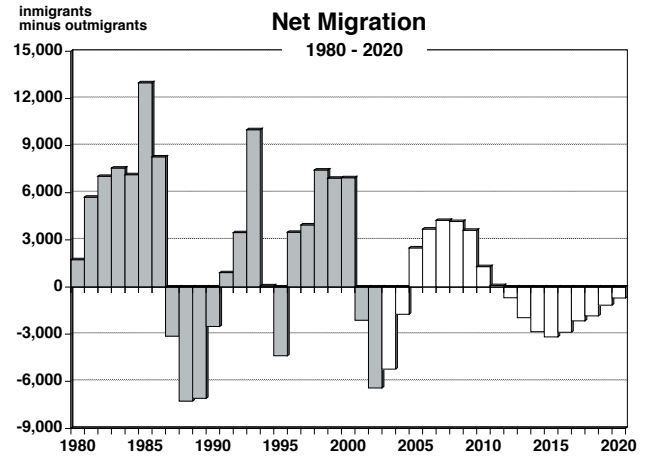
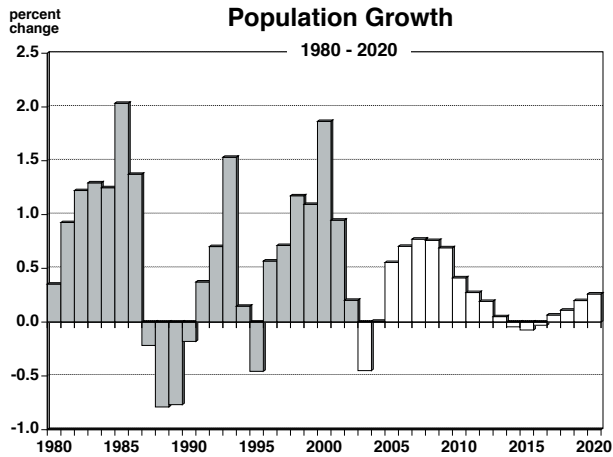
High vacancy rates for commercial space are still indicative of the city center in mid-2003. Housing prices remain high, and are not likely to decline much this year or over the next several years. Housing availability remains scarce and few new units will be built in the county over the forecast horizon, due principally to space constraints.

## Forecast Highlights

- The job growth forecast remains tenuous in 2003. Positive job growth is forecast to begin in 2004. Between 2003 and 2008, job growth is forecast to average 1 percent per year. Longer term, the job forecast averages 0.6 percent per year between 2010 and 2020.
- Employment growth in services averages 2.4 percent per year over the next 5 years, compared to 5.1 percent growth between 1995 and 2000. The Information Technology sector does not contribute to any significant rebound in job creation. The hospitality and recreation services sectors begin to add net jobs this year with an acceleration of job creation in 2004.
- Population growth is forecast to average 0.6 percent per year between 2003 and 2008, compared to the 1.0 percent average over the last 5 years. The lack of housing and the unaffordability of housing in the region pose an impediment to growth.



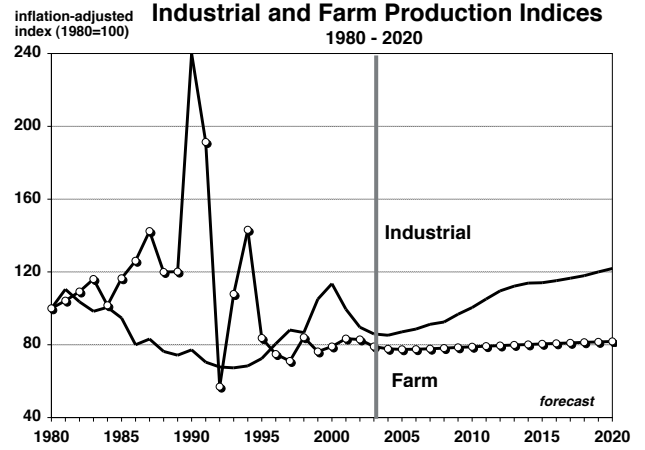
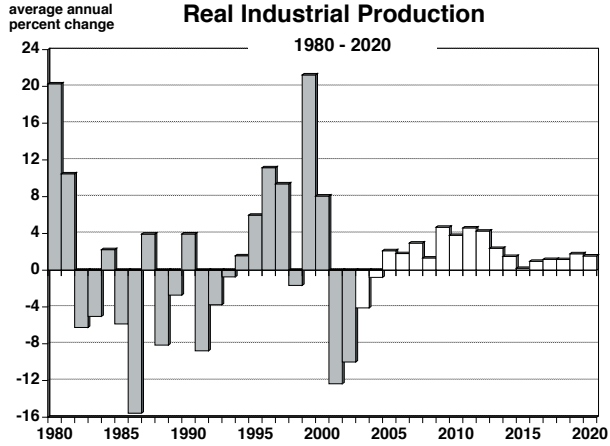
- Real per capita income rises marginally this year and next, with larger gains forecast after 2004. The annual compound rate of growth over the next 5 years is 2.0 percent. Real (inflation-adjusted) salaries in the county average \$60,000 in 2003. They are forecast to rise at an annual compound rate of 1.9 percent between 2003 and 2008.
- Over the forecast horizon, the median home price rises an average of 2.8 percent per year, adjusted for inflation. This is a sharp decline from the 11 percent average real appreciation per year between 1997 and 2002.



## San Francisco County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	739,900	-4,378	428,500	309.6	515	\$6.2	\$26.2	\$45,163	\$1.8	\$11.3
1996	744,100	3,484	437,762	309.9	1,478	\$6.7	\$27.7	\$46,392	\$1.6	\$12.5
1997	749,400	3,953	418,510	309.7	1,721	\$7.0	\$30.1	\$48,288	\$1.6	\$13.7
1998	758,200	7,445	445,691	311.1	2,336	\$6.9	\$33.7	\$51,857	\$2.0	\$13.5
1999	766,500	6,926	453,905	312.7	3,811	\$7.7	\$37.0	\$54,003	\$1.9	\$16.3
2000	780,800	6,955	469,603	328.9	3,365	\$8.8	\$42.9	\$58,860	\$2.0	\$17.7
2001	788,200	-2,118	469,116	333.1	1,819	\$8.0	\$43.7	\$56,348	\$2.2	\$15.5
2002	789,800	-6,424	476,255	337.5	1,330	\$7.3	\$42.3	\$53,516	\$2.3	\$13.9
2003	786,242	-5,224	477,322	334.9	1,299	\$8.1	\$43.5	\$53,966	\$2.2	\$13.4
2004	786,315	-1,735	477,502	335.6	1,439	\$8.6	\$45.4	\$54,817	\$2.2	\$13.3
2005	790,675	2,492	476,626	336.4	1,439	\$9.1	\$48.2	\$56,250	\$2.3	\$13.5
2006	796,248	3,687	476,466	337.3	1,319	\$9.5	\$50.8	\$57,284	\$2.4	\$13.8
2007	802,388	4,241	476,900	338.2	1,228	\$9.9	\$53.7	\$58,568	\$2.4	\$14.2
2008	808,481	4,171	477,151	339.2	1,301	\$10.2	\$56.5	\$59,639	\$2.5	\$14.4
2009	814,071	3,613	477,296	340.1	1,488	\$10.6	\$59.7	\$60,947	\$2.6	\$15.1
2010	817,427	1,298	477,127	341.1	1,409	\$11.0	\$62.7	\$62,041	\$2.7	\$15.6
2011	819,676	94	477,001	341.9	1,334	\$11.4	\$65.8	\$63,159	\$2.7	\$16.3
2012	821,254	-684	476,899	342.8	1,276	\$11.8	\$68.9	\$64,187	\$2.8	\$17.0
2013	821,674	-1,955	476,849	343.7	1,171	\$12.2	\$72.2	\$65,248	\$2.9	\$17.4
2014	821,313	-2,842	476,963	344.6	1,100	\$12.6	\$75.7	\$66,644	\$3.0	\$17.7
2015	820,711	-3,173	477,407	345.4	1,060	\$13.1	\$79.6	\$68,232	\$3.1	\$17.7
2016	820,471	-2,880	478,532	346.2	1,079	\$13.8	\$84.0	\$70,074	\$3.2	\$17.9
2017	821,013	-2,154	480,103	347.1	1,114	\$14.4	\$88.7	\$71,847	\$3.3	\$18.1
2018	821,925	-1,835	481,821	347.9	1,133	\$15.1	\$94.1	\$74,037	\$3.4	\$18.3
2019	823,572	-1,153	483,707	348.8	1,165	\$15.8	\$100.6	\$76,839	\$3.5	\$18.7
2020	825,727	-701	485,533	349.6	1,194	\$16.5	\$106.6	\$79,162	\$3.6	\$18.9

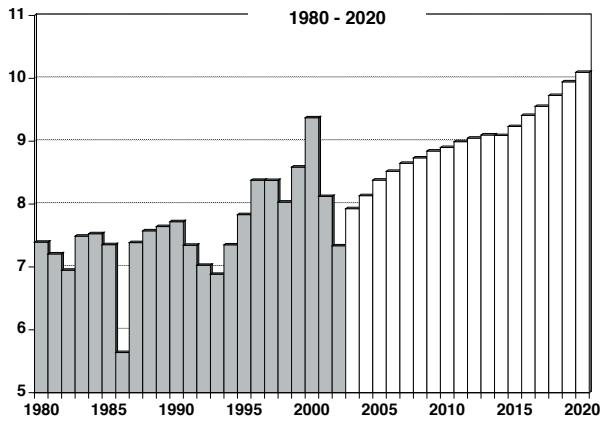


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
513.7	0.4	12.1	35.6	33.9	96.3	65.5	190.4	79.5
530.2	0.4	13.2	35.4	36.0	98.0	67.1	201.0	79.2
549.5	0.2	14.8	35.3	36.9	102.4	70.5	209.5	80.0
564.1	0.3	15.9	34.5	36.3	103.9	74.5	221.7	77.0
574.9	0.2	17.4	31.6	36.5	107.1	73.2	230.2	78.8
598.2	0.3	18.3	28.7	37.1	113.8	73.5	243.5	83.0
571.7	0.3	18.5	18.0	32.5	110.9	70.4	238.7	82.4
536.0	0.3	16.3	16.0	30.0	107.9	66.9	214.6	83.9
534.8	0.3	16.1	14.9	27.1	108.6	64.9	219.1	84.0
537.0	0.3	16.3	14.3	25.1	109.2	65.3	223.1	83.4
543.1	0.3	16.8	13.9	23.9	109.8	66.9	228.1	83.2
550.1	0.3	17.3	13.8	22.7	110.5	68.3	234.0	83.2
556.5	0.3	17.7	12.6	22.5	111.1	69.1	239.9	83.2
562.6	0.3	18.0	10.9	22.9	111.7	69.3	246.3	83.2
570.5	0.3	18.3	10.6	24.0	112.4	69.0	252.8	83.1
576.5	0.3	18.4	10.3	24.4	113.2	68.1	258.9	83.0
582.4	0.3	18.6	9.9	25.4	114.1	67.1	264.2	82.7
587.3	0.3	18.7	9.9	26.5	114.9	66.1	268.4	82.5
590.8	0.3	18.7	9.9	26.9	115.8	65.0	272.0	82.3
593.0	0.3	18.8	9.4	26.7	116.4	63.9	275.3	82.1
595.3	0.3	18.9	9.1	26.1	117.2	63.0	278.7	82.0
598.6	0.3	19.0	8.6	26.1	118.1	62.5	282.0	82.0
602.3	0.3	19.2	8.7	26.1	118.9	62.2	285.0	82.0
605.8	0.3	19.4	8.3	25.6	119.7	61.8	288.5	82.1
610.4	0.3	19.7	8.3	25.3	120.6	61.5	292.6	82.2
613.8	0.3	19.9	8.1	24.5	121.3	61.1	296.1	82.5

billions of  
2002 dollars

### Real Taxable Retail Sales

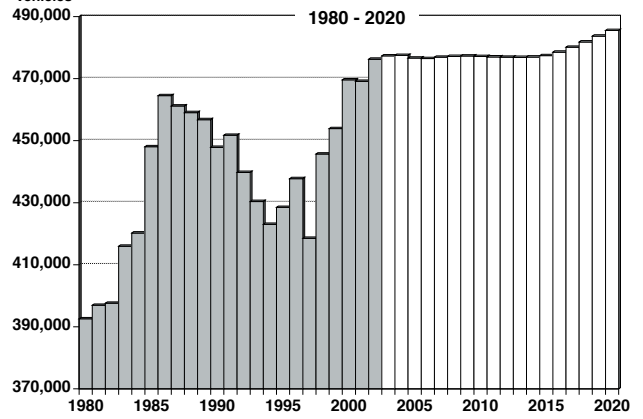
1980 - 2020



number of  
vehicles

### Total Registered Vehicles

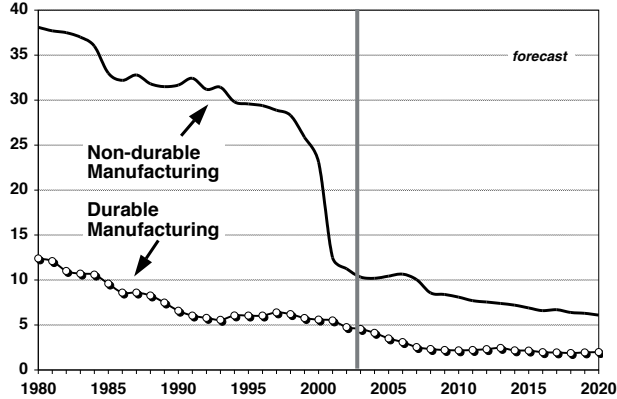
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

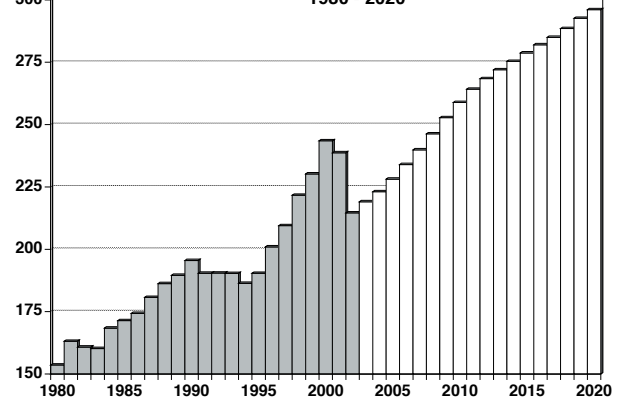
1980 - 2020



thousands of  
jobs

### Employment in Services

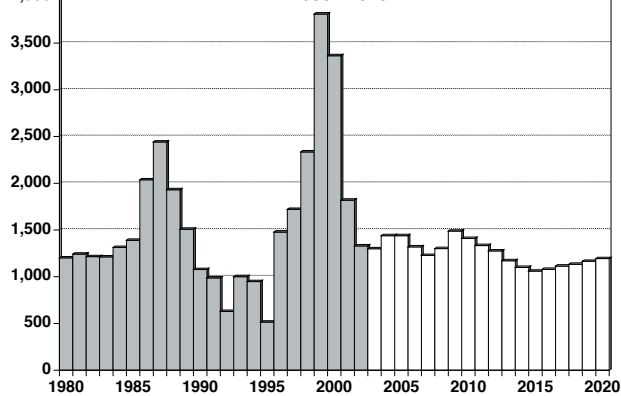
1980 - 2020



units  
permitted

### New Residential Units

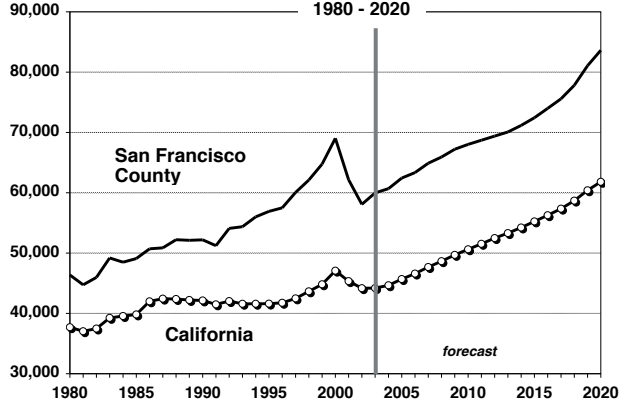
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker San Francisco County and California

1980 - 2020



# San Joaquin County Economic Forecast

The population of San Joaquin County now exceeds 600,000, an increase of 120,000 residents since the 1990 Census. The city of Stockton is the largest in the county with a current population exceeding 260,000. Tracy, the second-largest city, grew 5.9 percent between 2002 and 2003. Lathrop also experienced 7 percent growth in population last year.

Population in San Joaquin County is expected to increase at a compound annual rate of growth of 2.8 percent per year. By the year 2008, San Joaquin's total population is projected to be 707,656, a 17 percent increase over the 2003 population.

## Population • January 2003

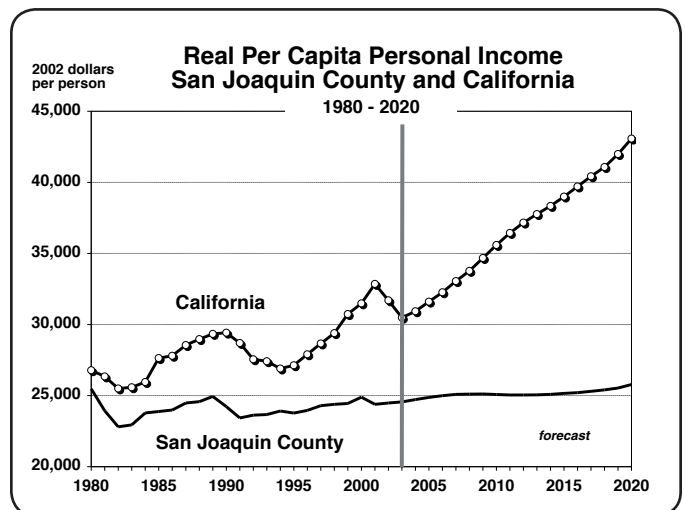
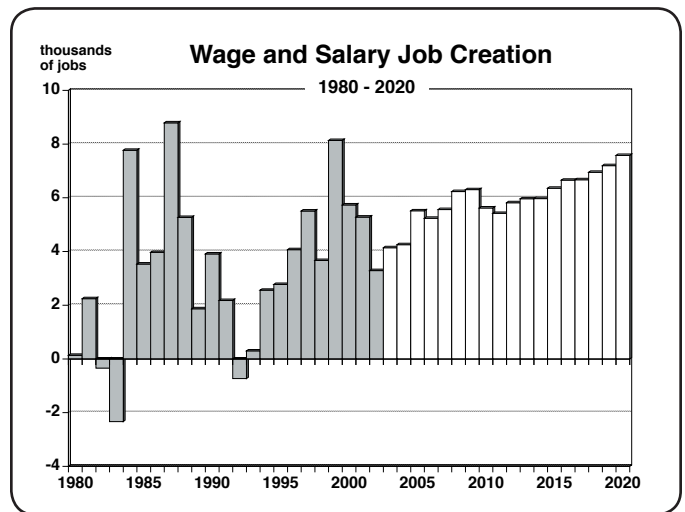
City	Population	2002-2003 % change
Stockton	261,800	2.8
Tracy	69,600	5.9
Lodi	60,500	1.7
Manteca	57,200	3.8
<b>Total County</b>	<b>613,500</b>	<b>2.8</b>

Historically, San Joaquin has been one of the leading counties in California in gross value for farm products. Today, it is ranked among the top ten agriculture-producing counties in the nation. The county produces an abundant harvest of crops, including grapes, milk (20 percent of the nation's total dairy output comes from San Joaquin County), tomatoes, almond meats, and asparagus. There are an estimated 783,000 acres in production on over 4,000 farms. In addition, industries which depend strongly on agriculture, such as food processing, wholesale trade, and transportation, benefit from the county's agricultural success.

Non-farm industry employment projections for the forecast period 2003–2008 indicate that services, government, and retail trade will dominate San Joaquin's County's future economy. By the year 2008, these three industries will account for 68 percent of total employment, and nearly all of the growth in jobs.

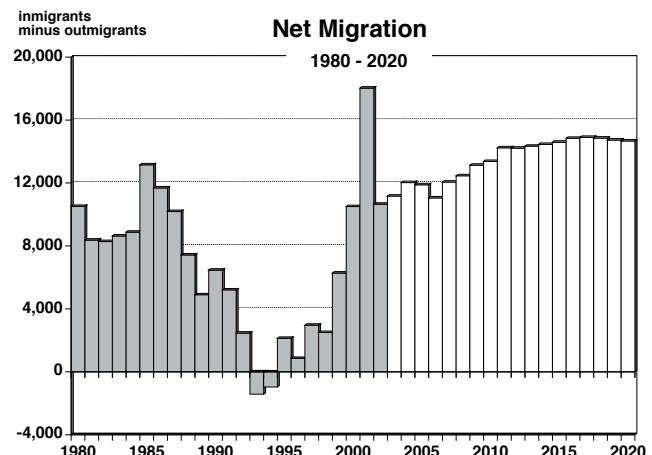
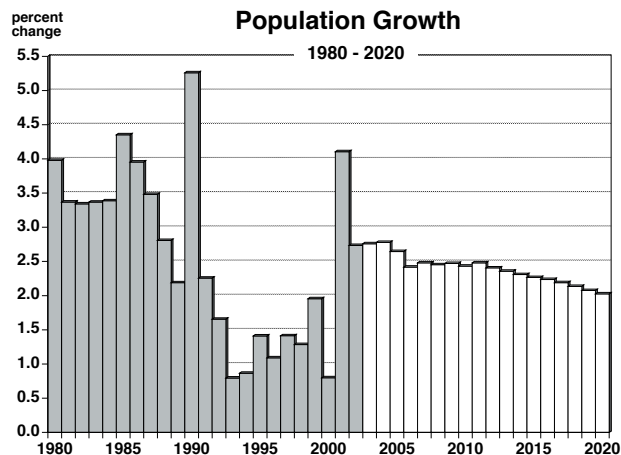
## Forecast Highlights

- Non-farm job growth over the 1997 to 2002 period averaged 2.9 percent per year. The projection for the next 5 years indicates that non-farm job growth will



average 2.6 percent per year. Nearly all of the growth occurs in the trade, services, and public sectors of the economy.

- Real per capita incomes decline an average of 0.4 percent per year between 2003 and 2008.
- The unemployment rate fell sharply between 1992 and 2001. With the weak California economy in 2002, the rate of unemployment moved slightly higher in 2002. It is projected to stabilize and remain at 10 percent per year for the next several years. The farm sector does not contribute much to employment in the foreseeable future, keeping an otherwise volatile unemployment rate relatively steady.



## San Joaquin County Economic Forecast

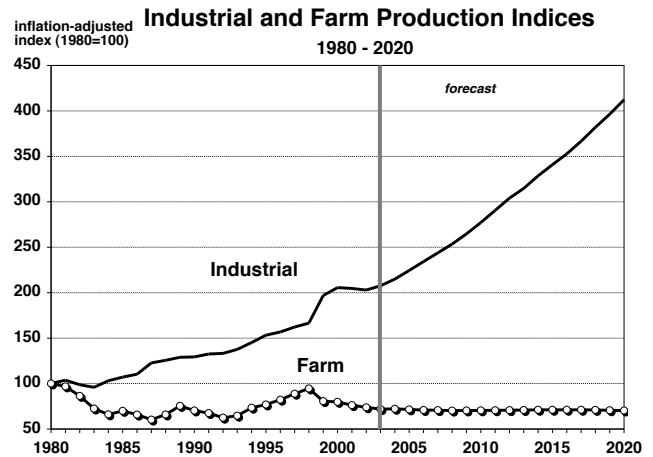
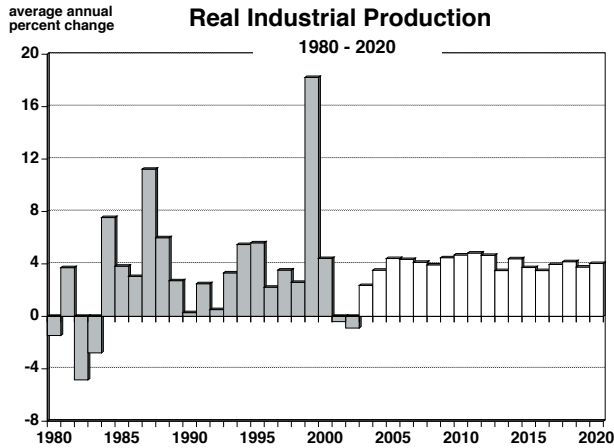
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	531,900	2,130	395	167.4	2,321	\$2.8	\$9.9	\$23,775	\$1,127	\$3.9
1996	537,700	857	403	169.5	2,409	\$3.0	\$10.4	\$23,958	\$1,232	\$3.9
1997	545,300	2,962	408	171.3	2,475	\$3.1	\$11.0	\$24,295	\$1,376	\$4.1
1998	552,300	2,500	388	173.4	3,229	\$3.3	\$11.6	\$24,389	\$1,513	\$4.2
1999	563,100	6,278	415	175.1	4,046	\$3.8	\$12.3	\$24,452	\$1,345	\$5.0
2000	567,600	10,500	435	177.5	5,323	\$4.4	\$13.2	\$24,890	\$1,390	\$5.2
2001	590,900	18,028	454	180.6	4,399	\$4.8	\$14.2	\$24,387	\$1,398	\$5.2
2002	607,055	10,650	462	184.6	5,747	\$5.2	\$14.9	\$24,480	\$1,375	\$5.1
2003	623,803	11,165	468	189.3	5,442	\$5.4	\$15.8	\$24,560	\$1,375	\$5.2
2004	641,132	12,025	475	193.5	5,258	\$5.7	\$16.8	\$24,722	\$1,418	\$5.4
2005	658,090	11,885	483	197.5	5,288	\$5.9	\$17.7	\$24,879	\$1,445	\$5.7
2006	674,002	11,055	491	201.5	5,375	\$6.2	\$18.7	\$24,996	\$1,471	\$5.9
2007	690,719	12,058	499	205.6	5,507	\$6.5	\$19.8	\$25,085	\$1,506	\$6.1
2008	707,656	12,458	509	209.8	5,613	\$6.8	\$20.8	\$25,110	\$1,535	\$6.4
2009	725,143	13,132	518	214.1	5,680	\$7.2	\$21.9	\$25,113	\$1,578	\$6.7
2010	742,772	13,368	528	218.5	5,722	\$7.6	\$23.0	\$25,080	\$1,625	\$7.0
2011	761,186	14,238	539	223.0	5,765	\$8.0	\$24.2	\$25,046	\$1,673	\$7.3
2012	779,500	14,215	549	227.5	5,844	\$8.5	\$25.5	\$25,046	\$1,724	\$7.7
2013	797,873	14,340	560	232.0	5,935	\$8.9	\$26.9	\$25,054	\$1,780	\$7.9
2014	816,289	14,452	571	236.7	6,026	\$9.4	\$28.3	\$25,093	\$1,833	\$8.3
2015	834,781	14,591	583	241.4	6,148	\$10.0	\$29.8	\$25,158	\$1,885	\$8.6
2016	853,451	14,836	594	246.1	6,247	\$10.6	\$31.4	\$25,209	\$1,939	\$8.9
2017	872,140	14,899	606	251.0	6,309	\$11.2	\$33.2	\$25,302	\$1,993	\$9.2
2018	890,756	14,853	619	256.0	6,369	\$11.8	\$35.0	\$25,407	\$2,046	\$9.6
2019	909,240	14,730	631	261.0	6,429	\$12.5	\$36.9	\$25,531	\$2,092	\$10.0
2020	927,668	14,671	644	266.1	6,514	\$13.1	\$39.0	\$25,779	\$2,140	\$10.4

- Net-migration exceeds the natural rate of growth as the principal factor contributing to population increases over the foreseeable future. More job creation, more

homes, and more affordable homes constitute a compelling reason for healthy population growth projections over the next 10 years.

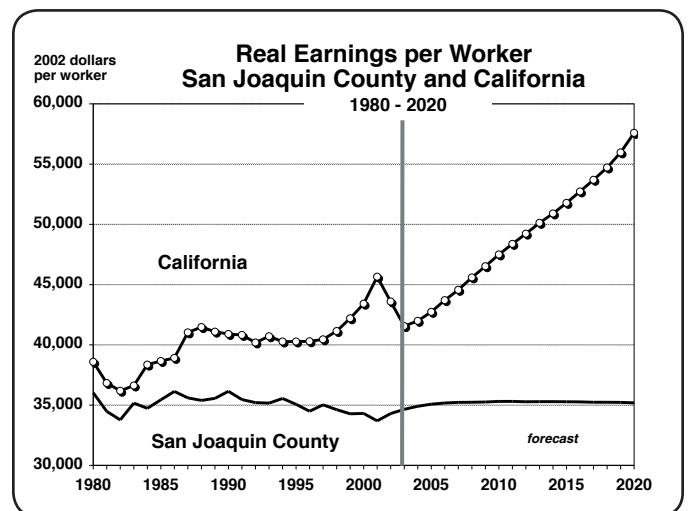
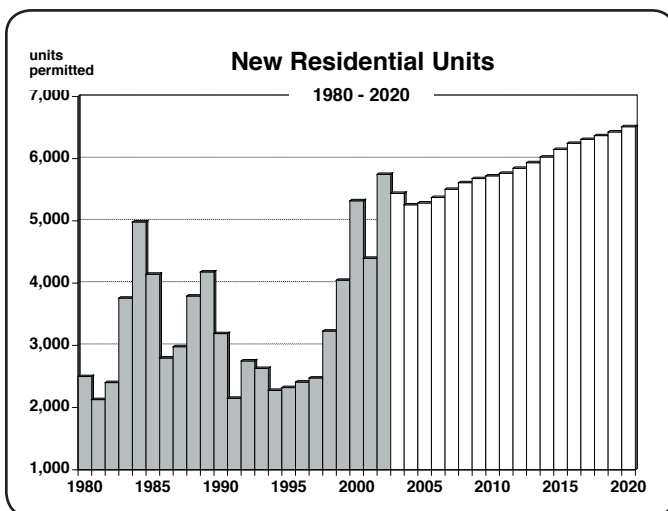
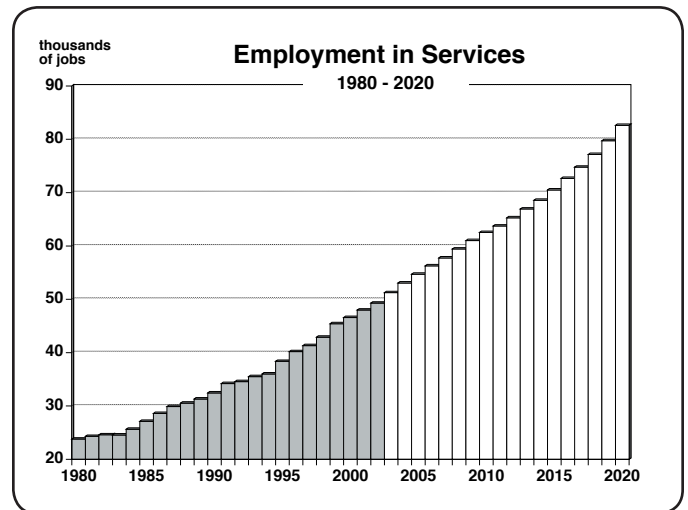
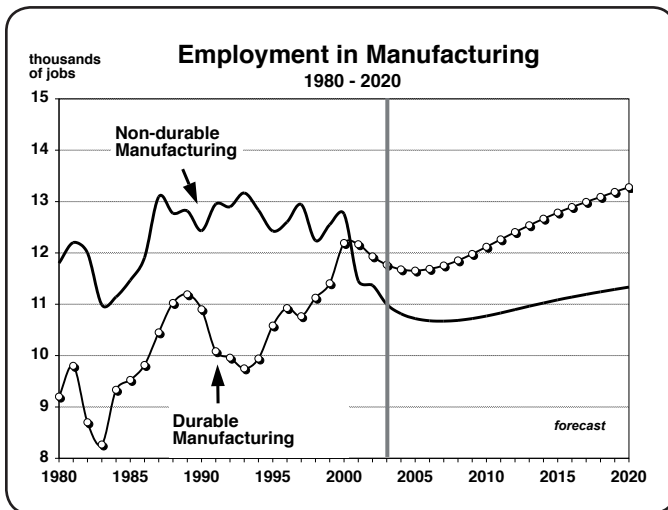
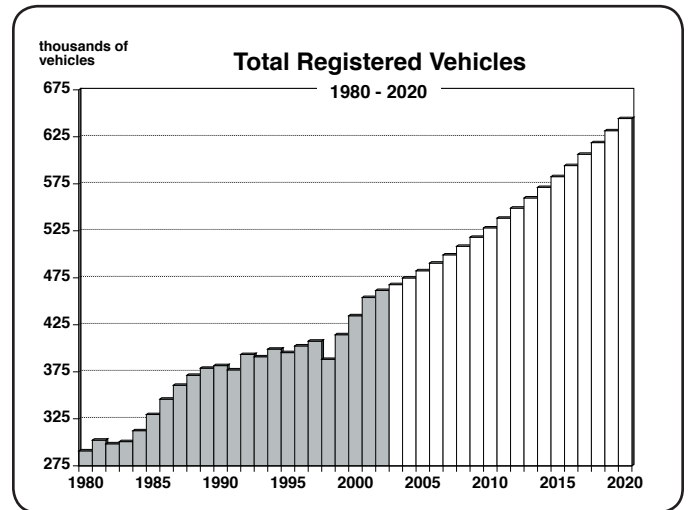
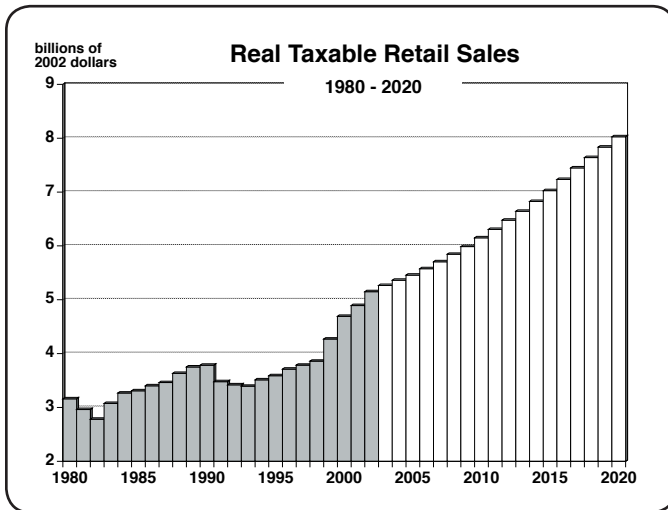




Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
175.4	15.1	6.3	0.1	23.0	11.7	38.9	8.3	38.4	33.7
179.5	16.0	6.6	0.1	23.5	11.7	39.5	8.3	40.2	33.6
185.0	17.6	7.5	0.1	23.7	12.0	40.0	8.6	41.3	34.3
188.6	17.1	8.7	0.1	23.4	12.2	41.0	8.5	42.9	34.8
196.8	18.1	10.3	0.1	24.0	13.0	41.9	8.5	45.4	35.6
202.5	16.7	11.5	0.1	25.0	13.4	43.7	8.5	46.6	37.0
207.8	16.1	12.9	0.2	23.6	14.0	45.0	9.1	48.0	38.8
211.1	15.9	12.9	0.2	23.3	13.6	46.0	9.8	49.3	40.1
215.2	15.9	13.2	0.2	22.8	14.1	47.7	9.9	51.3	41.5
219.5	15.8	13.3	0.2	22.5	14.5	49.3	9.9	53.1	43.0
225.0	15.7	13.2	0.2	22.4	15.0	51.0	10.0	54.7	44.4
230.2	15.6	13.3	0.2	22.4	15.5	52.7	10.1	56.3	45.8
235.8	15.6	13.3	0.2	22.4	16.0	54.4	10.3	57.8	47.1
242.0	15.5	13.4	0.2	22.5	16.5	56.1	10.5	59.4	48.4
248.3	15.5	13.6	0.2	22.7	17.1	58.0	10.7	61.0	49.6
253.9	15.5	13.7	0.2	22.9	17.6	59.8	11.0	62.5	50.8
259.4	15.5	13.8	0.2	23.1	18.1	61.8	11.2	63.7	51.9
265.2	15.5	14.0	0.2	23.3	18.7	63.7	11.5	65.3	53.0
271.1	15.5	14.2	0.2	23.5	19.2	65.8	11.8	66.9	54.1
277.1	15.5	14.4	0.2	23.7	19.7	67.9	12.1	68.6	55.1
283.5	15.5	14.6	0.2	23.9	20.3	70.1	12.4	70.5	56.1
290.1	15.5	14.8	0.2	24.0	20.8	72.4	12.6	72.7	57.1
296.8	15.5	15.1	0.2	24.2	21.3	74.7	12.9	74.8	58.1
303.7	15.4	15.3	0.2	24.3	21.9	77.2	13.1	77.2	59.2
310.9	15.4	15.5	0.2	24.5	22.4	79.7	13.4	79.7	60.2
318.5	15.4	15.7	0.2	24.6	22.9	82.2	13.7	82.6	61.2

- More homes will be built in the county over the next 5 years than were built in the previous 10 years. This is one of the few California Counties for which future projections of housing production exceed recent historical production.

- The median home selling price was \$223,300 in 2002. It is forecast to rise an average of 4.1 percent per year, over the next 5 years.



# San Luis Obispo County Economic Forecast

San Luis Obispo's economy is based largely on tourism and education. Consequently, services, government, and retail trade are the dominant industries in the county. The largest sector is the services industry, contributing 26 percent of all wage and salary jobs in the county. The healthcare sector which supports the older aged population, is the largest sub-sector of the broader services industry.

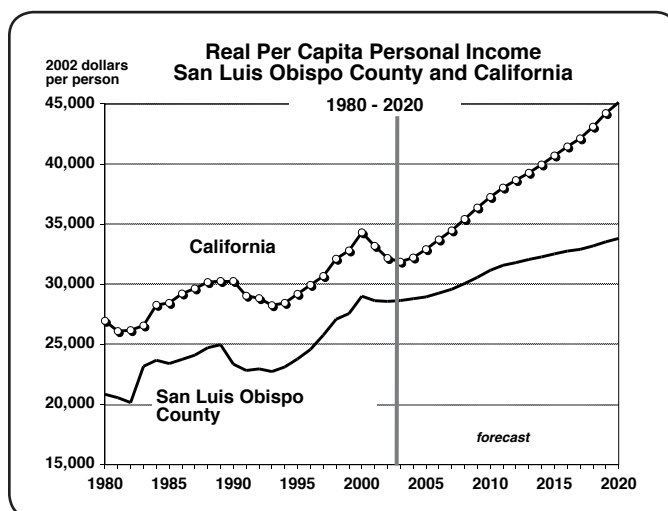
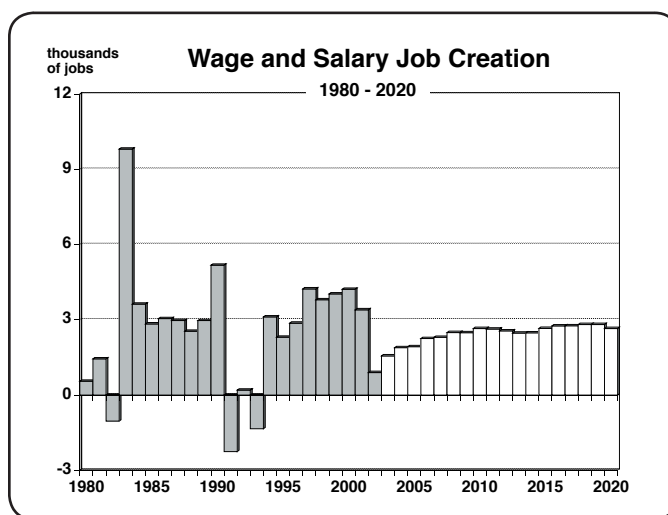
Tourism is important to the region and is expected to remain a strong asset in the county's economic growth. Recreation in Morro Bay and Pismo Beach, and Hearst Castle in San Simeon all provide reasons for travel to San Luis Obispo County. The booming wine industry in the Edna Valley and Paso Robles regions attracts an estimated 600,000 visitors each year. The production of wine has soared in recent years, and wine-grapes are the largest agricultural crop in the county.

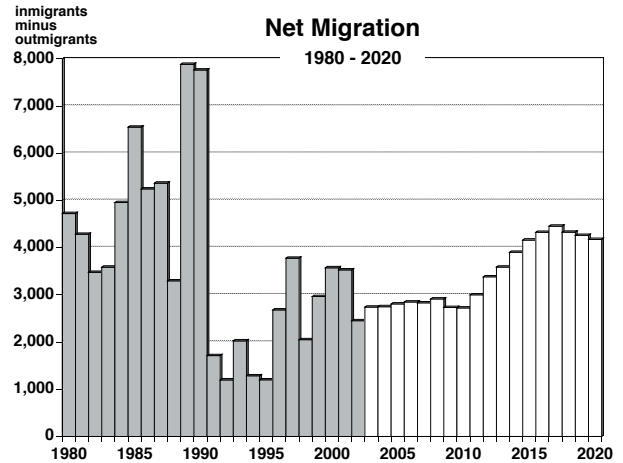
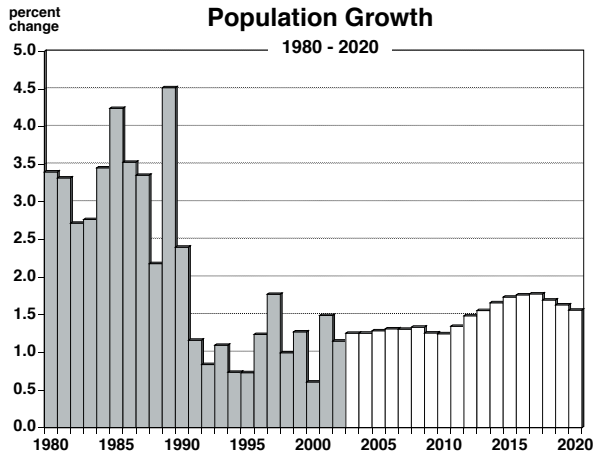
Government, the second largest industry, accounts for 23 percent of all non-farm employment, with 23,300 jobs reported in 2002. Almost all government jobs in San Luis Obispo County are in the state and local government sector, including the K-12 schools, Cuesta College, and Cal Poly State University. Industry projections estimate that the state and local public sector will create 2,450 new jobs between 2003 and 2008.

The retail trade industry contributes 23 percent of the county's employment. Restaurants dominate the sector with nearly half of the retail trade employment. Home prices in the county have soared in recent years, rising in excess of 20 percent between 2001 and 2002. The median home selling price now stands at \$375,000 as of mid-2003.

## Forecast Highlights

- The county is forecast to create 10,800 new wage and salary jobs between 2003 and 2008. The forecast rate of job growth averages 2.0 percent per year.
- Real per capita income increases an average of 1.0 percent per year over the next 5 years. This is half the rate that prevailed between 1997 and 2002, because both wage and salary income and retirement income growth are forecast to slow.
- The unemployment rate rises to 3.6 percent in 2003, but declines thereafter, remaining in the low 3 percent range over the foreseeable future.
- Population growth is forecast to average 1.3 percent per year between 2003 and 2008. The natural increase is the principal engine of population growth. Net migration into the county remains positive, averaging 2,800 people per year.
- Approximately 1,800 new homes are permitted each year over the next 5 years. That rate of building is not enough to keep housing prices from rising further throughout the county.
- The median home selling price (adjusted for general price inflation) is projected to increase an average of 2.2 percent per year between 2003 and 2008.

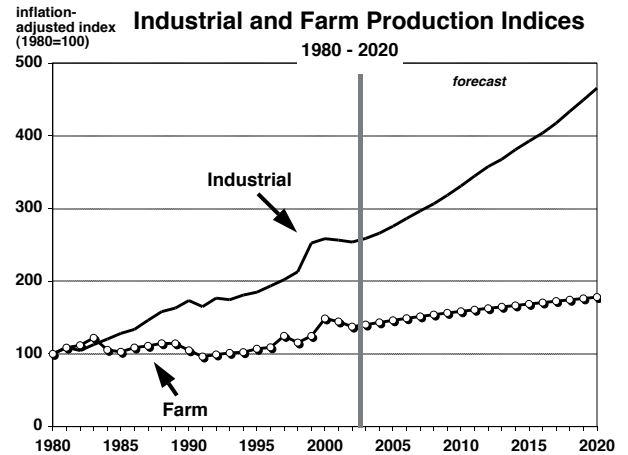
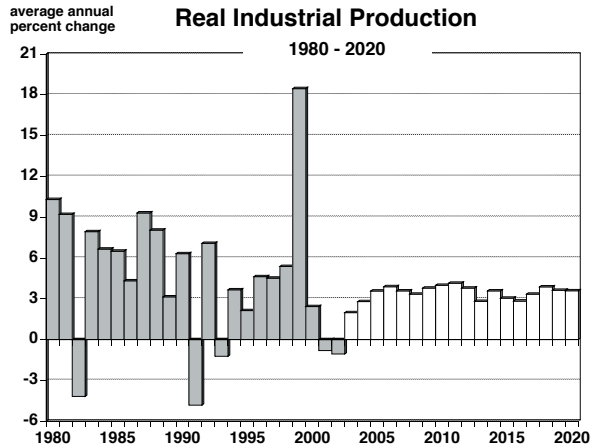




## San Luis Obispo County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	233,800	1,200	208	85	985	\$1.3	\$4.7	\$23,797	\$317	\$1.3
1996	236,700	2,682	220	86	1,176	\$1.4	\$5.0	\$24,581	\$328	\$1.3
1997	240,900	3,777	205	87	1,329	\$1.5	\$5.5	\$25,778	\$382	\$1.4
1998	243,300	2,051	220	88	1,730	\$1.6	\$5.9	\$27,090	\$359	\$1.5
1999	246,400	2,965	229	89	1,664	\$1.9	\$6.2	\$27,571	\$396	\$1.7
2000	247,900	3,575	244	92	1,650	\$2.1	\$6.8	\$29,018	\$488	\$1.8
2001	251,600	3,530	257	94	2,025	\$2.2	\$7.0	\$28,635	\$490	\$1.8
2002	254,500	2,452	269	96	1,969	\$2.4	\$7.3	\$28,583	\$479	\$1.7
2003	257,698	2,741	272	98	1,959	\$2.5	\$7.6	\$28,648	\$500	\$1.8
2004	260,939	2,750	279	99	1,913	\$2.6	\$7.9	\$28,797	\$524	\$1.8
2005	264,302	2,809	287	101	2,031	\$2.7	\$8.2	\$28,952	\$547	\$1.9
2006	267,779	2,850	295	103	1,879	\$2.8	\$8.6	\$29,267	\$571	\$2.0
2007	271,286	2,831	304	105	1,681	\$3.0	\$9.0	\$29,586	\$594	\$2.0
2008	274,912	2,914	313	106	1,524	\$3.1	\$9.5	\$30,068	\$618	\$2.1
2009	278,376	2,734	323	108	1,347	\$3.3	\$10.0	\$30,581	\$641	\$2.2
2010	281,855	2,723	330	109	1,209	\$3.5	\$10.6	\$31,164	\$666	\$2.3
2011	285,657	3,002	338	110	1,161	\$3.7	\$11.2	\$31,586	\$692	\$2.4
2012	289,910	3,383	346	111	1,311	\$3.9	\$11.7	\$31,806	\$719	\$2.4
2013	294,427	3,589	352	112	1,420	\$4.1	\$12.3	\$32,064	\$747	\$2.5
2014	299,319	3,903	360	114	1,499	\$4.3	\$12.9	\$32,275	\$774	\$2.6
2015	304,518	4,162	367	115	1,449	\$4.6	\$13.5	\$32,537	\$802	\$2.7
2016	309,897	4,325	376	116	1,474	\$4.8	\$14.2	\$32,766	\$832	\$2.8
2017	315,408	4,456	384	118	1,500	\$5.1	\$14.9	\$32,907	\$863	\$2.9
2018	320,763	4,329	390	119	1,584	\$5.3	\$15.7	\$33,189	\$895	\$3.0
2019	326,002	4,262	398	121	1,612	\$5.6	\$16.5	\$33,537	\$926	\$3.1
2020	331,098	4,175	404	122	1,633	\$5.9	\$17.3	\$33,817	\$957	\$3.2

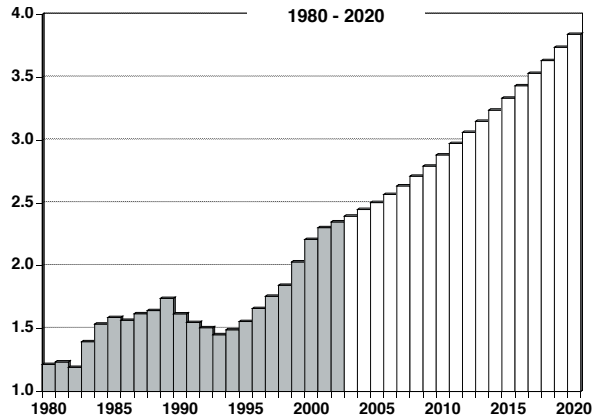


Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
79.9	3.0	3.6	0.1	6.3	4.3	20.4	4.4	19.2	18.6
82.7	3.9	3.8	0.1	6.7	4.4	20.6	4.2	19.9	19.3
87.0	4.8	4.1	0.1	6.8	4.5	21.0	4.4	20.9	20.3
90.8	4.6	4.5	0.1	7.3	4.5	21.9	4.7	21.9	21.2
94.8	4.3	5.3	0.1	7.4	4.8	23.2	4.9	23.2	21.6
99.0	4.8	5.9	0.2	7.5	4.8	24.4	4.9	24.2	22.4
102.4	5.3	6.5	0.2	7.6	4.7	25.0	4.9	25.2	22.9
103.3	5.3	6.9	0.2	7.6	4.5	25.4	4.9	25.2	23.3
104.9	5.2	6.8	0.2	7.7	4.5	26.0	4.9	25.9	23.6
106.8	5.2	6.9	0.2	7.7	4.6	26.5	5.1	26.5	24.0
108.7	5.3	6.9	0.2	7.8	4.6	27.0	5.3	27.1	24.5
110.9	5.4	7.1	0.2	7.9	4.7	27.5	5.5	27.8	24.9
113.2	5.4	7.1	0.2	8.0	4.7	28.0	5.9	28.4	25.4
115.7	5.5	7.1	0.2	8.2	4.8	28.5	6.1	29.2	26.1
118.2	5.6	7.1	0.2	8.4	4.9	29.0	6.4	29.9	26.7
120.9	5.7	7.1	0.2	8.6	4.9	29.6	6.7	30.6	27.4
123.5	5.8	7.2	0.2	8.8	5.0	30.1	7.0	31.2	28.3
126.1	5.9	7.2	0.2	8.9	5.0	30.7	7.3	31.8	29.1
128.5	5.9	7.1	0.2	9.1	5.1	31.2	7.5	32.3	30.0
131.0	6.0	7.1	0.2	9.3	5.1	31.7	7.7	32.8	31.0
133.7	6.1	7.2	0.2	9.5	5.1	32.3	7.9	33.5	32.1
136.4	6.1	7.2	0.2	9.6	5.2	32.8	8.1	34.1	33.2
139.2	6.2	7.2	0.2	9.8	5.2	33.3	8.3	34.6	34.4
142.0	6.3	7.2	0.2	10.0	5.3	33.8	8.6	35.1	35.6
144.8	6.3	7.2	0.2	10.2	5.3	34.3	8.8	35.7	36.8
147.5	6.4	7.2	0.2	10.4	5.4	34.8	9.0	36.2	37.9

billions of  
2002 dollars

### Real Taxable Retail Sales

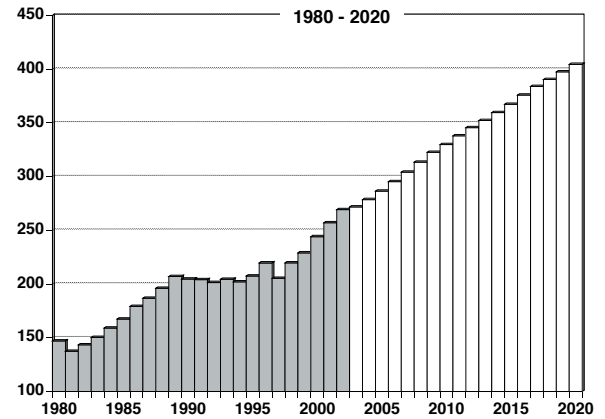
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

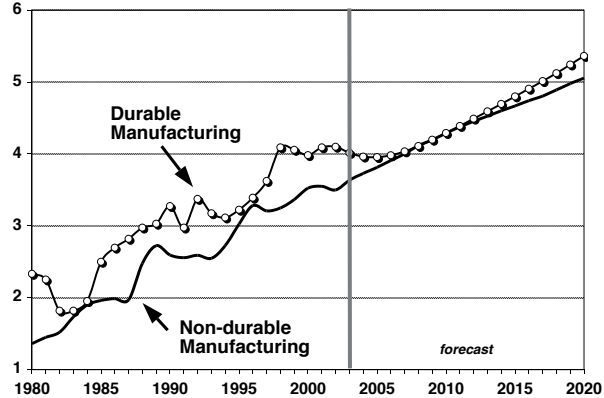
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

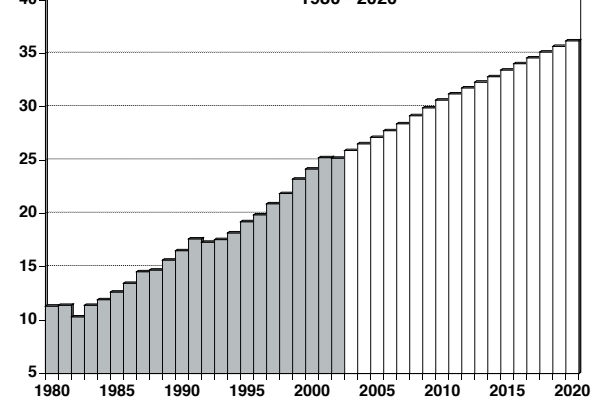
1980 - 2020



thousands of  
jobs

### Employment in Services

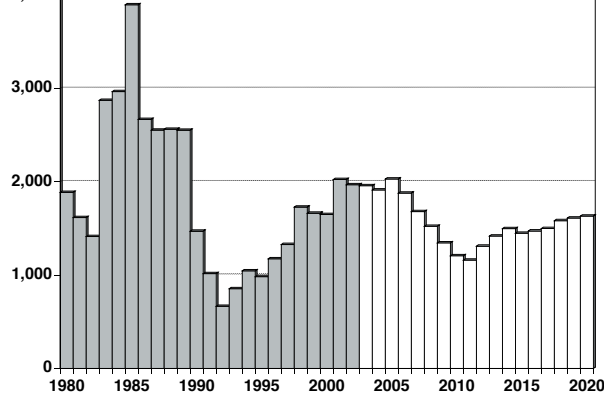
1980 - 2020



units  
permitted

### New Residential Units

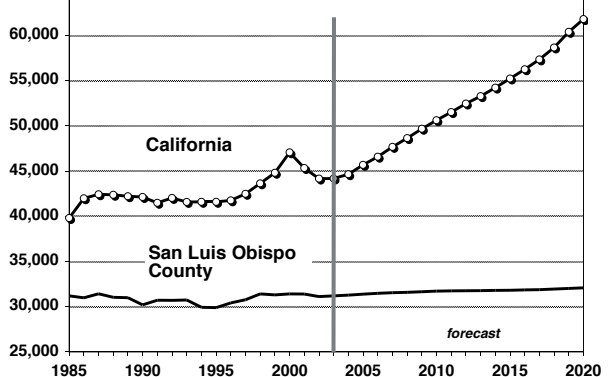
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker San Luis Obispo County and California

1980 - 2020



# San Mateo County Economic Forecast

San Mateo County is home to 714,000 people, 350,000 non-farm wage and salary jobs, and median home prices exceeding \$660,000 in 2002. Average salaries, despite some reversal in 2001 and 2002, are still near the highest in California, at \$63,620 per worker.

The 21,300 employment decline recorded in 2002 was the largest on record for San Mateo County. Two sectors of the economy contributed 85 percent of the job loss: Services and Manufacturing. The services economy, principally the Information Technology sector, shed in excess of 14,000 jobs. Transportation employment, primarily at SFO, dropped by 3,200 jobs. In general, it was a very weak labor market year in San Mateo County.

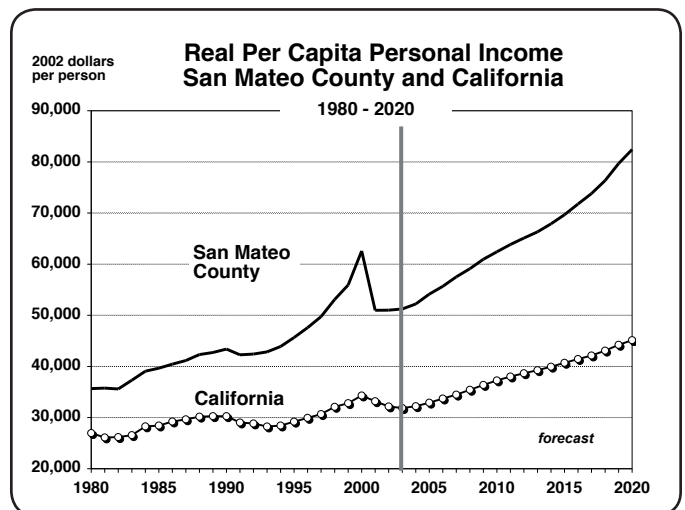
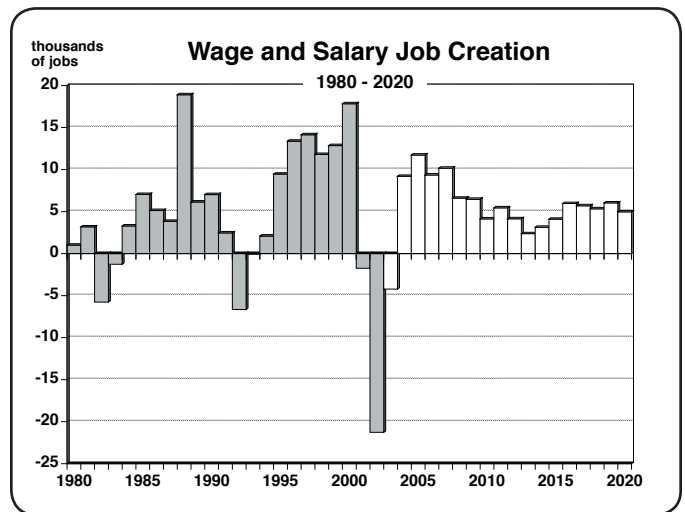
Consumer spending, proxied by real retail sales, surged 9 percent per year in 1999 and 2000. Sales then dropped 9.3 percent in 2001, and 8.4 percent in 2002. This year, spending is expected to level off and begin rising again late in the year.

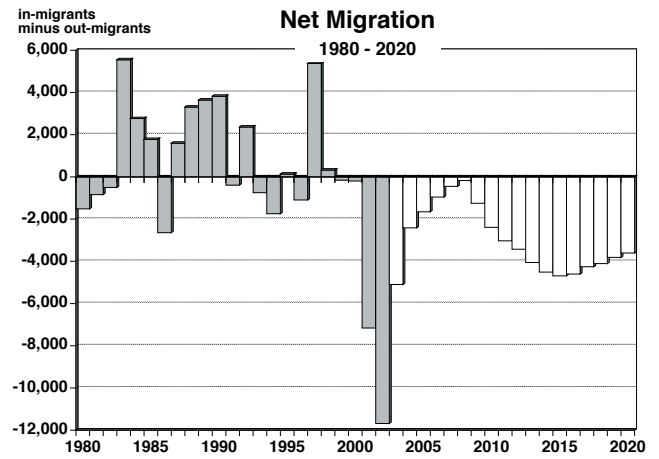
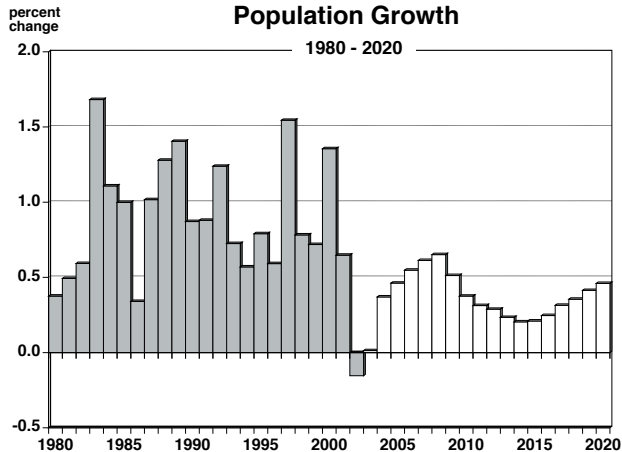
The San Francisco MSA of which San Mateo County is a member, was impacted severely by the information technology meltdown. The worst appears to be over however, especially regarding the labor markets in the hard-hit San Francisco Bay Area economy.

The national and state economies will strengthen this year, especially as the aftermath of the war with Iraq fades. The domestic and world-wide demand for semi-conductors, computers, communications devices, and electrical equipment and apparatus is rising again, and this will become more apparent in 2004.

## Forecast Highlights

- Non-farm job growth rebounds in 2004. The forecast rate of growth in 2004 is 2.7 percent, followed by 3.3 percent in 2005. This year, job creation is forecast to remain negative, declining 1.2 percent. Between 2003 and 2008, the compound average annual rate of job growth is forecast at 2.5 percent.
- Employment in services is anticipated to rise by about 5 percent per year, beginning in 2004. The manufacturing sector is not likely to experience a labor market rebound in San Mateo County.
- The unemployment rate rises to 4.5 percent in 2003, and falls to under 4 percent in 2005. The rate of unemployment is not forecast to repeat the low levels of 1.5 to 2.0 percent it recorded in 1999 and 2000.
- Population growth slows, due principally to the lack of housing and the unaffordability of housing in the region. Compound annual growth in the 2003 to 2008 period falls to 0.5 percent per year, from 0.95 percent between 1995 and 2000. The population growth slowdown is principally led by out-migration of population to regions with more affordable housing, such as Stanislaus and San Joaquin Counties





## San Mateo County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	675,900	135	644,125	246.2	1,424	\$5.4	\$24.2	\$45,645	\$194.8	\$11.7
1996	679,900	-1,096	654,382	247.3	1,105	\$6.0	\$26.0	\$47,570	\$202.8	\$13.0
1997	690,400	5,375	637,389	248.5	1,519	\$6.3	\$28.5	\$49,741	\$215.1	\$14.5
1998	695,800	323	711,936	249.8	2,175	\$6.6	\$31.7	\$53,109	\$184.1	\$14.8
1999	700,800	-157	714,405	251.2	901	\$7.5	\$35.0	\$55,923	\$177.2	\$18.5
2000	710,300	-194	708,927	253.9	2,317	\$8.6	\$41.5	\$62,594	\$198.7	\$20.5
2001	714,900	-7,158	697,972	254.9	1,441	\$8.2	\$35.9	\$50,981	\$177.1	\$19.5
2002	713,800	-11,681	696,468	256.5	1,300	\$7.7	\$36.4	\$51,005	\$184.4	\$19.7
2003	713,893	-5,099	691,387	258.6	1,459	\$7.9	\$37.5	\$51,242	\$190.3	\$18.9
2004	716,535	-2,415	683,578	260.0	1,522	\$8.3	\$39.4	\$52,212	\$196.9	\$19.4
2005	719,843	-1,655	680,375	261.4	1,804	\$8.9	\$42.1	\$54,148	\$203.6	\$20.2
2006	723,788	-955	680,788	263.0	1,898	\$9.4	\$44.7	\$55,658	\$210.5	\$20.8
2007	728,221	-450	682,377	264.8	1,956	\$9.9	\$47.7	\$57,516	\$217.2	\$21.8
2008	732,965	-170	683,294	266.5	1,957	\$10.4	\$50.5	\$59,103	\$224.1	\$22.5
2009	736,721	-1,252	683,826	268.3	1,923	\$11.0	\$53.8	\$60,960	\$231.2	\$23.3
2010	739,487	-2,392	683,207	270.0	1,809	\$11.5	\$56.8	\$62,421	\$238.8	\$23.7
2011	741,800	-3,032	682,747	271.7	1,797	\$12.1	\$59.9	\$63,845	\$246.8	\$24.4
2012	743,936	-3,426	682,372	273.3	1,781	\$12.6	\$63.1	\$65,104	\$255.0	\$25.0
2013	745,674	-4,057	682,189	274.9	1,675	\$13.2	\$66.3	\$66,323	\$263.7	\$25.0
2014	747,197	-4,510	682,606	276.5	1,657	\$13.8	\$69.9	\$67,897	\$272.1	\$25.3
2015	748,763	-4,686	684,232	278.0	1,640	\$14.4	\$73.8	\$69,673	\$280.7	\$25.6
2016	750,608	-4,600	688,351	279.6	1,697	\$15.2	\$78.4	\$71,767	\$289.7	\$26.1
2017	752,967	-4,259	694,099	281.1	1,702	\$16.0	\$83.2	\$73,798	\$299.4	\$26.5
2018	755,637	-4,108	700,386	282.7	1,694	\$16.9	\$88.9	\$76,343	\$309.0	\$27.0
2019	758,760	-3,812	707,288	284.3	1,698	\$17.9	\$95.7	\$79,670	\$318.5	\$27.8
2020	762,246	-3,604	713,973	285.8	1,705	\$18.9	\$102.1	\$82,414	\$328.0	\$28.6

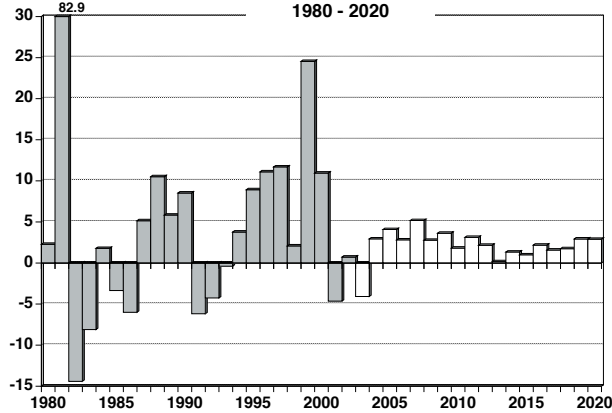
- Average salaries begin to rise slightly this year, with more convincing signs of improvement in 2004. Average salaries adjusted for inflation increase an average of 2.6 percent per year over the forecast horizon.
- Real per capita incomes fell sharply in 2001. Incomes begin rising again in 2004. The annual compound rate of growth over the next 5 years is 3.0 percent. Between 1995 and 2000, real per capita personal income increased an average of 3.6 percent per year.



average annual  
percent change

### Real Industrial Production

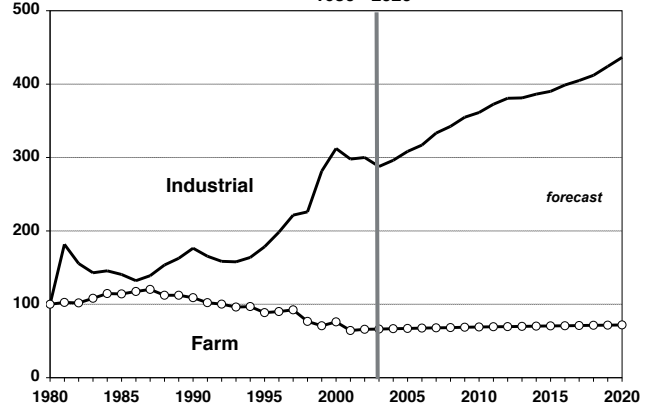
1980 - 2020



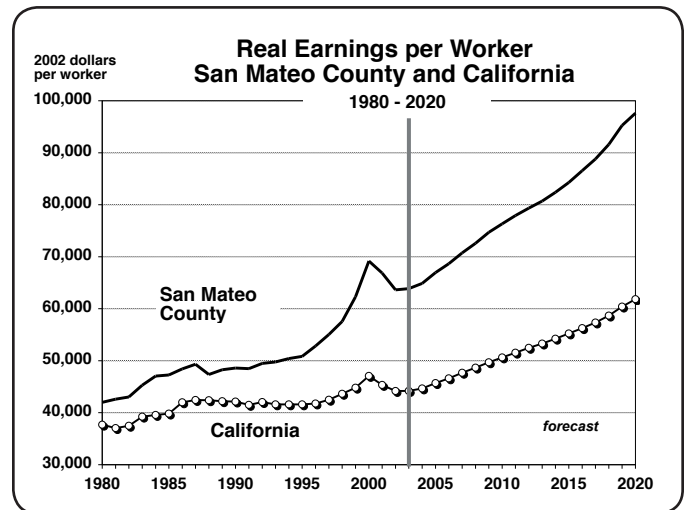
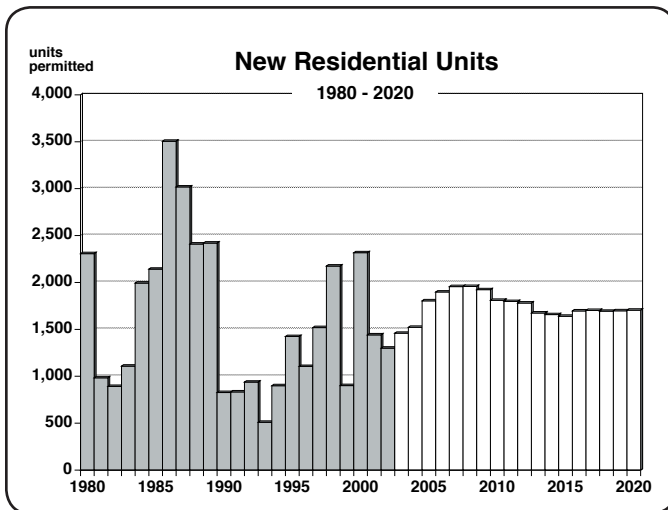
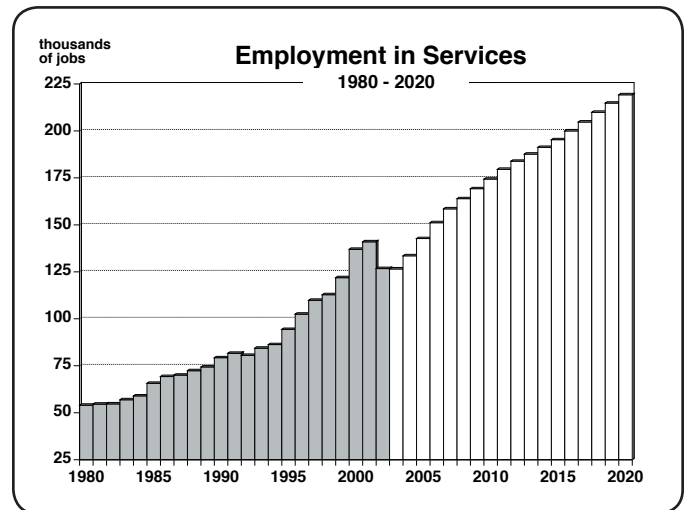
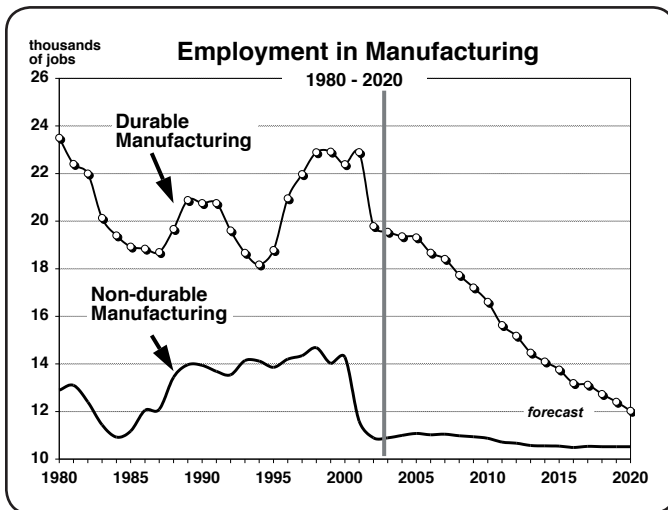
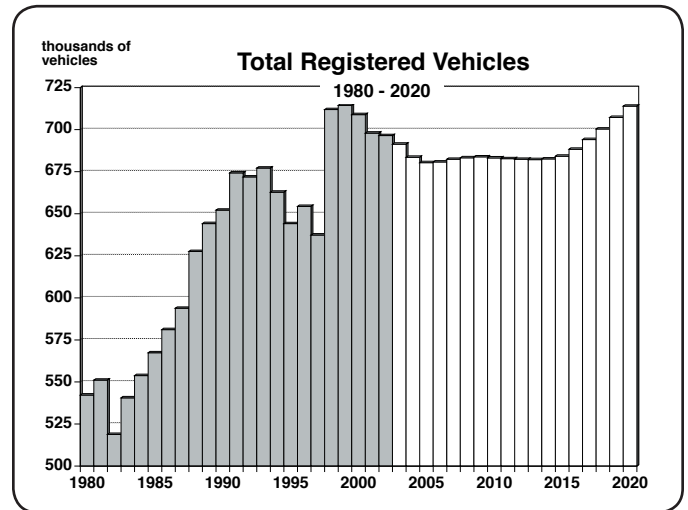
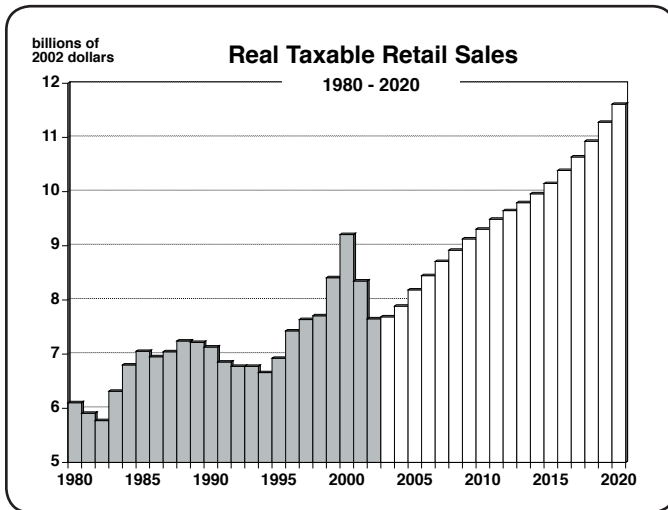
inflation-adjusted  
index (1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
305.8	2.6	11.6	32.6	37.7	73.7	21.2	94.4	32.0
319.1	2.7	13.4	35.2	37.6	75.0	21.6	102.5	31.1
333.3	2.9	15.5	36.3	38.8	76.9	23.0	109.9	30.1
345.1	2.9	16.8	37.6	40.3	79.3	23.9	112.8	31.4
357.9	2.9	17.8	36.9	42.1	80.5	23.7	121.9	32.1
375.8	2.9	19.6	36.7	43.6	80.5	23.0	137.0	32.6
374.0	2.9	20.0	34.5	41.0	78.9	22.8	141.0	32.9
352.7	2.8	22.8	30.7	37.8	76.8	21.7	126.8	33.4
348.5	2.8	20.8	30.4	36.6	77.5	20.5	126.6	33.3
357.7	2.8	20.0	30.4	39.2	78.1	20.5	133.6	33.2
369.4	2.8	19.6	30.4	41.2	78.7	20.9	142.7	33.1
378.8	2.8	19.7	29.7	41.8	79.2	21.4	151.1	33.1
388.9	2.8	20.0	29.5	43.5	79.7	21.8	158.5	33.1
395.5	2.8	20.5	28.7	44.3	80.1	22.0	163.9	33.1
402.0	2.8	21.0	28.1	44.9	80.7	22.1	169.2	33.1
406.1	2.8	21.4	27.5	43.5	81.4	22.1	174.4	33.1
411.6	2.8	21.7	26.3	44.0	82.2	22.0	179.5	33.1
415.7	2.8	21.9	25.9	43.4	82.9	21.9	183.9	33.0
418.1	2.8	22.1	25.1	42.1	83.6	21.8	187.6	33.0
421.2	2.8	22.3	24.7	41.3	84.3	21.6	191.2	33.0
425.3	2.8	22.5	24.3	40.9	85.0	21.5	195.3	33.0
431.3	2.8	22.8	23.7	41.9	85.7	21.5	200.0	33.0
436.9	2.8	23.1	23.7	41.9	86.3	21.5	204.7	33.0
442.3	2.8	23.5	23.3	41.4	87.0	21.5	209.9	33.0
448.3	2.8	24.0	22.9	41.7	87.5	21.5	214.8	33.0
453.3	2.8	24.6	22.6	41.5	88.1	21.5	219.2	33.0



# Santa Barbara County Economic Forecast

Growth of technology-based employment, and other jobs in business services, recreation, and retail trade led the labor market surge between 1996 and 2001 when employment in the county increased by nearly 21,000 jobs. Since 2001, the county has lost 1,400 jobs, principally in manufacturing, wholesale trade, and information.

Tourism is a large sector of the Santa Barbara County economy, and the lodging business has remained quite healthy in recent years.

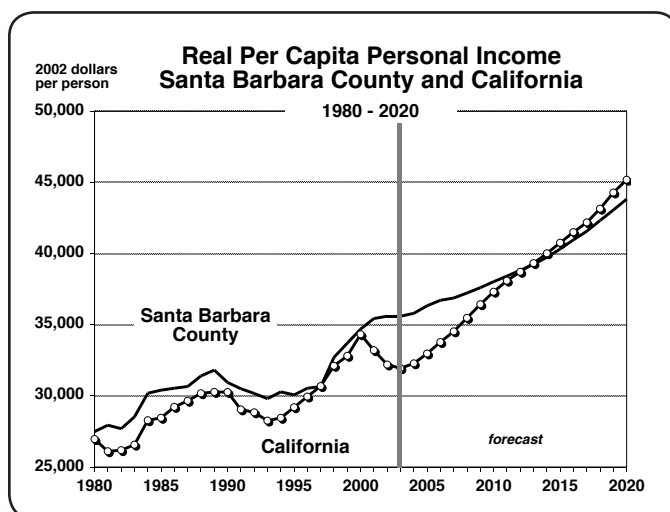
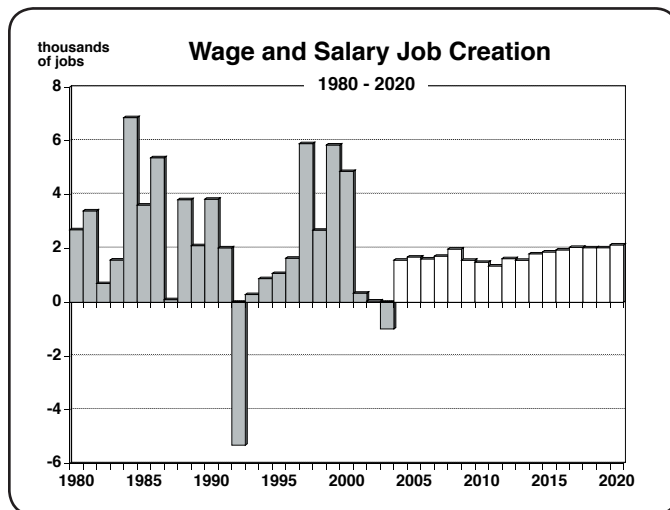
Job growth in the non-farm sector dropped 0.4 percent in 2002. That rate of growth will repeat in 2003. The forecast of 2,450 non-farm jobs created in Santa Barbara County in 2002 will principally occur in education and services, especially consumer services.

Home prices in Santa Barbara County continue to rise with the rate of appreciation soaring into double-digit increases. The southern part of the county where half of the population resides, currently shows the highest housing prices in the state. More, and less expensive housing has been producible in the Lompoc and Santa Maria Valleys, where prices are relatively lower, but appreciation rates higher.

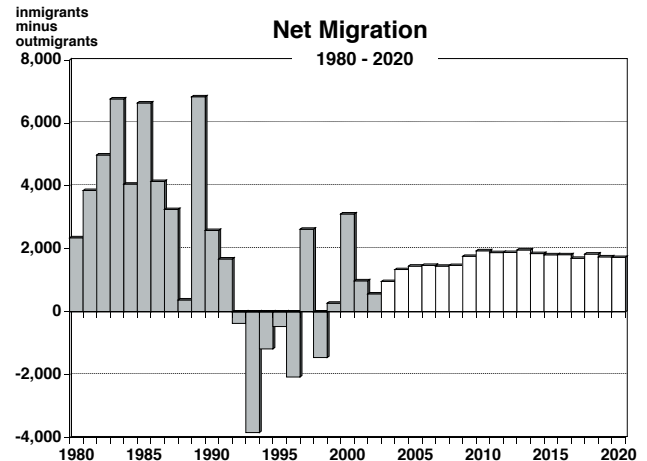
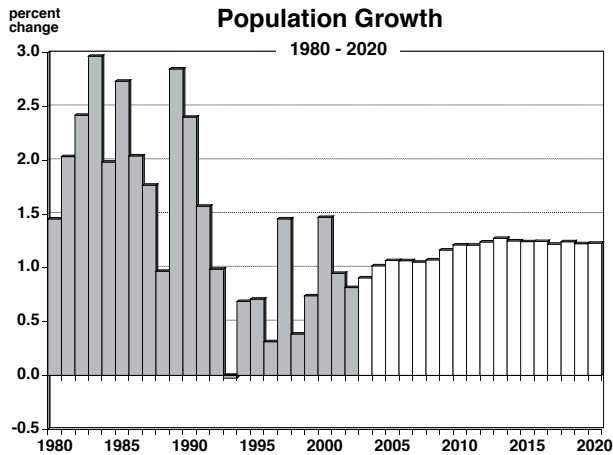
New development in 2004 will be light in the South and heavy in the North. While large housing projects will break ground in Lompoc and Santa Maria over the next two years, the pipeline for South Coast housing is empty.

## Forecast Highlights

- Population growth is not expected to abate much, even though only modest levels of net migration are forecast over the next several years. Rising home costs are stifling migration-based population growth, in both the northern and the southern ends of the county. The principal contributor to local population is the natural rate of growth. Between 2003 and 2008, the annual rate of growth averages 1.1 percent.
- The growth of real per capita real income is expected to increase in 2004 and 2005, relative to the one percent growth recorded in 2001 and no increase in 2002. Adjusted for inflation, real per capita incomes are forecast to rise an average of one percent per year between 2003 and 2008.



- Non-farm employment growth averages 1.2 percent per year between 2003 and 2008. Less than one percent per year employment growth is forecast after 2009.
- Housing poses the largest constraint to significant job creation and net migration in Santa Barbara County. To the extent that affordable and available housing is present, economic growth in the form of job creation would expand. The expansion of employment that is forecast occurs principally in the Santa Maria Valley where housing affordability is not yet a pressing issue.



## Santa Barbara County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

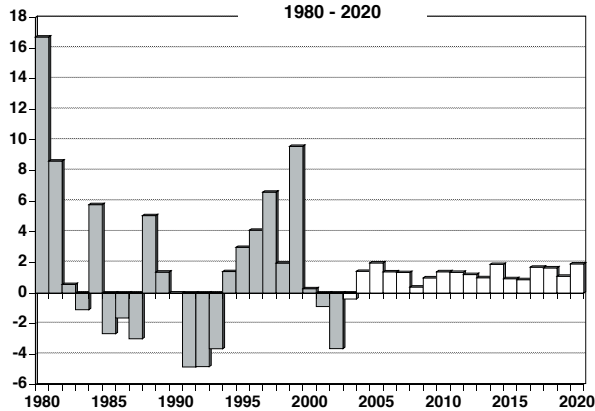
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	383,700	-462	308.3	133.1	792	\$2.4	\$9.8	\$30,066	\$525	\$2.5
1996	384,900	-2,064	311.3	133.6	775	\$2.5	\$10.2	\$30,537	\$566	\$2.6
1997	390,500	2,625	299.3	134.9	903	\$2.7	\$10.5	\$30,648	\$610	\$2.7
1998	392,000	-1,449	318.0	135.3	1,026	\$2.8	\$11.4	\$32,705	\$595	\$2.8
1999	394,900	278	323.7	136.1	915	\$3.2	\$12.1	\$33,711	\$635	\$3.1
2000	400,700	3,111	336.0	136.6	924	\$3.4	\$13.1	\$34,690	\$720	\$3.1
2001	404,500	988	347.0	137.5	1,315	\$3.6	\$13.9	\$35,438	\$733	\$3.1
2002	407,800	573	353.0	138.4	1,669	\$3.7	\$14.5	\$35,602	\$730	\$2.9
2003	411,496	967	356.5	139.7	1,443	\$3.9	\$15.0	\$35,601	\$731	\$2.9
2004	415,685	1,345	360.2	141.0	1,339	\$4.1	\$15.6	\$35,806	\$740	\$3.0
2005	420,122	1,456	364.3	142.1	1,308	\$4.3	\$16.4	\$36,336	\$757	\$3.0
2006	424,599	1,480	368.7	143.3	1,336	\$4.5	\$17.1	\$36,719	\$780	\$3.1
2007	429,068	1,454	373.0	144.4	1,376	\$4.7	\$17.8	\$36,882	\$798	\$3.1
2008	433,675	1,477	377.6	145.6	1,400	\$5.0	\$18.6	\$37,233	\$813	\$3.1
2009	438,729	1,766	382.4	146.9	1,427	\$5.2	\$19.4	\$37,608	\$841	\$3.2
2010	444,046	1,942	387.3	148.1	1,469	\$5.4	\$20.4	\$38,030	\$870	\$3.2
2011	449,422	1,885	391.9	149.4	1,510	\$5.7	\$21.3	\$38,418	\$903	\$3.2
2012	454,995	1,888	396.4	150.7	1,538	\$5.9	\$22.4	\$38,826	\$942	\$3.3
2013	460,789	1,967	400.9	152.1	1,563	\$6.2	\$23.5	\$39,240	\$985	\$3.3
2014	466,549	1,854	405.2	153.4	1,584	\$6.4	\$24.7	\$39,743	\$1,016	\$3.4
2015	472,346	1,816	409.6	154.8	1,594	\$6.6	\$26.0	\$40,325	\$1,043	\$3.4
2016	478,224	1,816	413.9	156.2	1,600	\$6.9	\$27.4	\$40,970	\$1,070	\$3.4
2017	484,057	1,702	417.8	157.6	1,606	\$7.2	\$28.9	\$41,571	\$1,104	\$3.5
2018	490,070	1,839	421.2	159.0	1,604	\$7.4	\$30.5	\$42,326	\$1,147	\$3.6
2019	496,069	1,750	424.2	160.4	1,610	\$7.6	\$32.2	\$43,065	\$1,192	\$3.6
2020	502,162	1,732	427.0	161.8	1,609	\$7.9	\$33.9	\$43,828	\$1,233	\$3.7

- The longer term outlook for the Santa Barbara County economy is generally positive, as new growth occurs in the North. However, the shadow of the housing crisis will ultimately impact the ability of the business sector to remain both vibrant and dynamic due to a shortage of affordable homes for the workforce.

average annual  
percent change

### Real Industrial Production

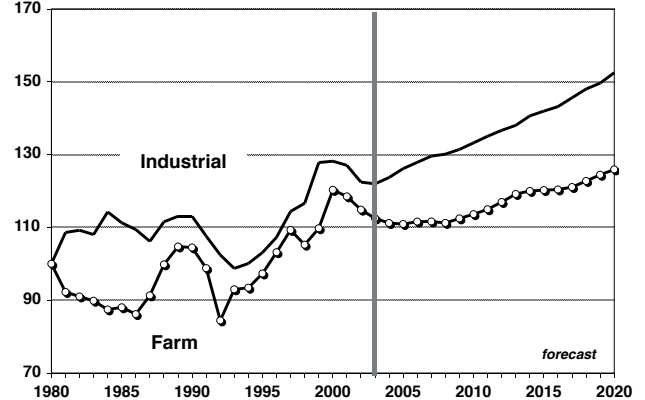
1980 - 2020



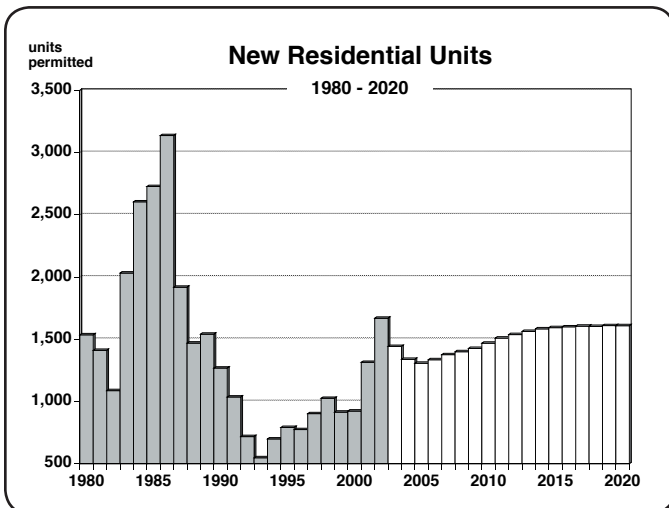
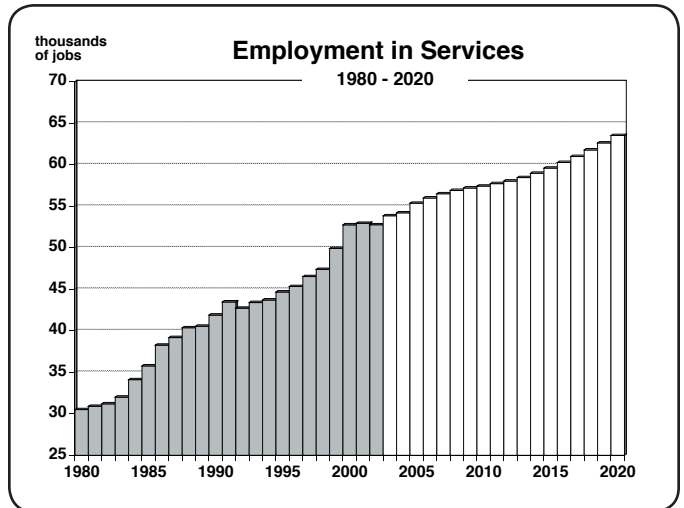
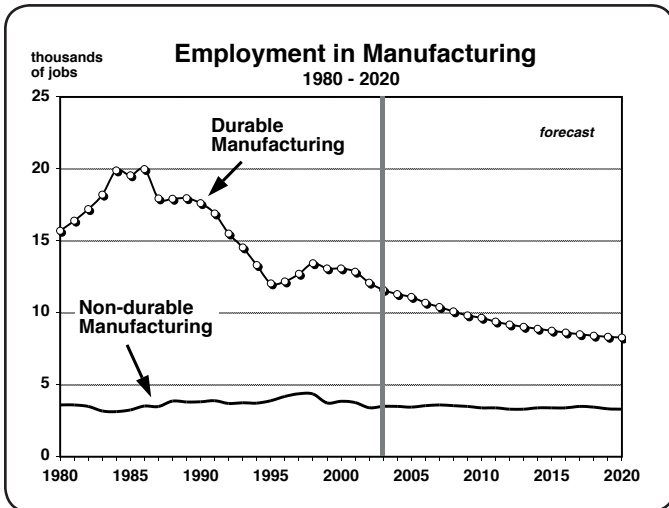
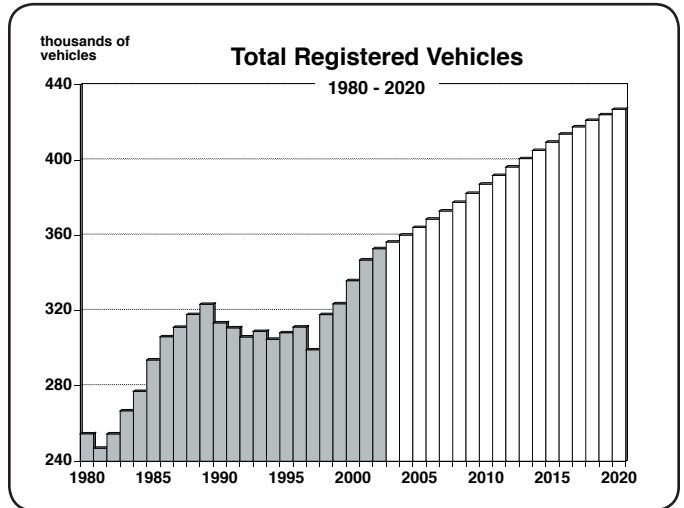
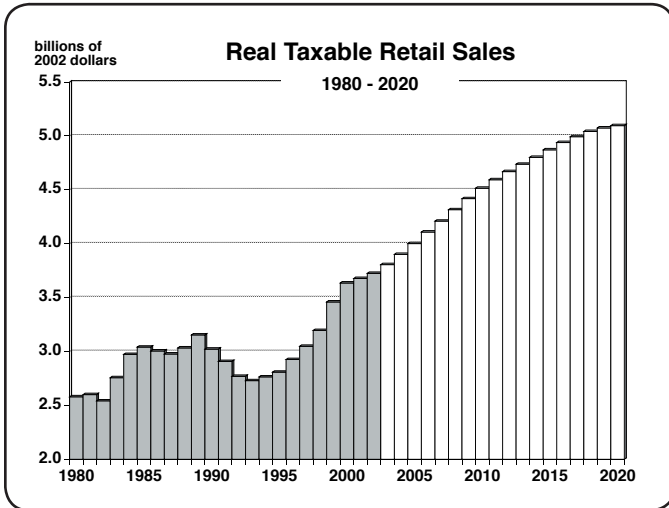
inflation-  
adjusted index  
(1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
158.6	14.1	5.4	1.2	15.9	5.1	35.2	7.2	44.7	29.7
160.2	14.6	5.9	1.2	16.4	5.1	35.0	7.1	45.3	29.7
166.1	14.7	6.7	1.0	17.1	5.4	36.6	7.2	46.5	30.9
168.8	13.8	6.8	0.9	17.8	5.3	37.4	7.5	47.4	31.8
174.6	15.3	7.7	0.8	16.8	5.1	39.1	7.6	49.9	32.4
179.5	14.9	8.2	0.7	16.9	5.0	40.3	7.9	52.8	32.8
179.8	13.8	8.4	0.8	16.6	5.1	39.9	8.3	52.9	34.4
179.9	14.4	8.0	0.8	15.5	5.0	39.8	8.2	52.8	35.5
178.9	14.3	8.1	0.8	15.1	5.0	40.1	8.3	53.8	34.8
180.5	13.5	8.3	0.8	14.8	5.0	40.5	8.3	54.2	35.0
182.2	13.1	8.6	0.8	14.6	5.1	41.0	8.4	55.4	35.3
183.8	12.9	9.1	0.8	14.3	5.1	41.5	8.4	56.0	35.8
185.5	12.8	9.2	0.8	14.0	5.1	42.4	8.5	56.5	36.3
187.5	12.9	9.2	0.8	13.7	5.1	43.4	8.5	56.9	37.0
189.0	13.1	9.2	0.8	13.3	5.1	44.3	8.5	57.2	37.4
190.5	13.4	9.2	0.8	13.1	5.1	45.1	8.6	57.4	37.8
191.9	13.7	9.3	0.8	12.8	5.1	45.7	8.6	57.7	38.1
193.5	14.0	9.3	0.8	12.5	5.2	46.3	8.7	58.0	38.9
195.1	14.3	9.3	0.8	12.3	5.2	46.7	8.7	58.5	39.4
196.9	14.6	9.3	0.8	12.3	5.2	47.1	8.7	59.0	39.9
198.7	14.9	9.4	0.8	12.2	5.2	47.6	8.8	59.6	40.5
200.7	15.2	9.4	0.8	12.0	5.2	48.0	8.8	60.3	41.1
202.7	15.5	9.4	0.8	12.0	5.2	48.3	8.8	61.0	41.7
204.8	15.9	9.5	0.8	11.9	5.2	48.7	8.8	61.8	42.3
206.8	16.2	9.5	0.8	11.7	5.2	49.0	8.8	62.6	42.9
208.9	16.6	9.5	0.8	11.6	5.2	49.3	8.9	63.5	43.6



# Santa Clara County Economic Forecast

Santa Clara County is currently the 4<sup>th</sup> ranking county in the state in terms of population and non-farm employment. The region is the epicenter of California's technology economy which peaked in early 2000, but has undergone a major consolidation since.

The unemployment rate more than quadrupled in 2 years, from 2 percent to 8.4 percent in 2002. The internet bubble that broke in late 2000 and 2001 produced a major economic fall-out, manifesting most severely in the San Francisco, San Mateo, and Santa Clara Counties.

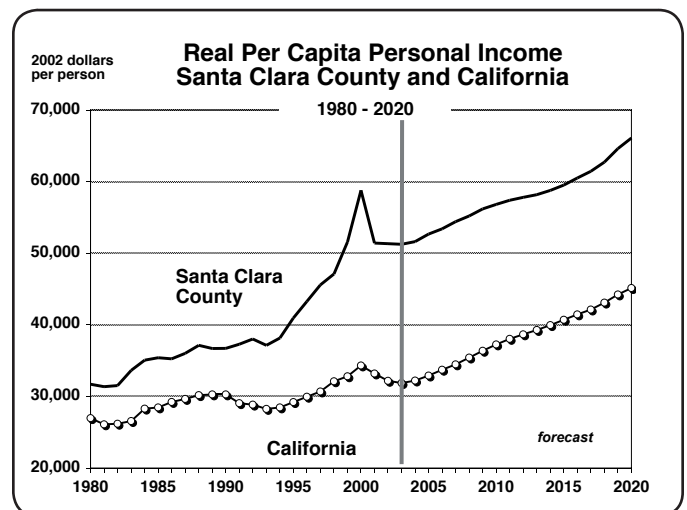
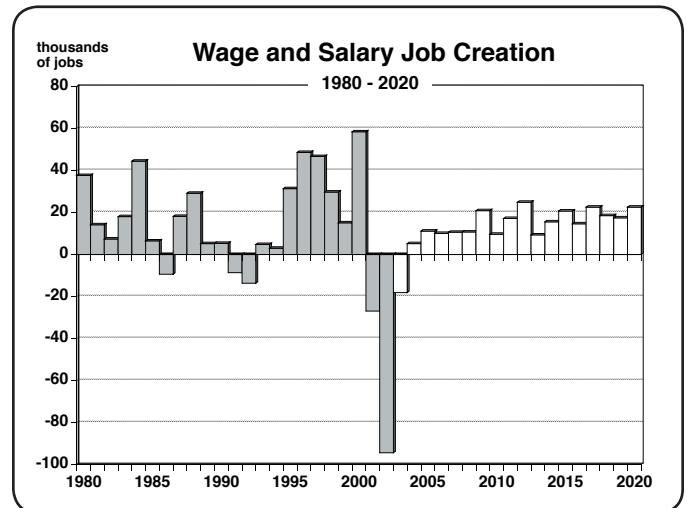
The county experienced a significant collapse of its labor markets in 2001 and 2002. Last year, nearly 100,000 non-farm jobs were lost, mostly in the manufacturing and the information technology (IT) sectors.

Commercial vacancy spiked sharply in San Jose, jumping into the 20 percent range, and fewer new homes were built, exacerbating an already constrained supply of housing in the county.

The worst appears to be over however. IT orders are stabilizing, especially for semi-conductors globally. The telecommunications industry appears to have shaken out most of the excess inventory and bookings are rising again.

Labor markets are still weak, and the unemployment rate is likely to remain in the 8 to 9 percent range in 2003. However, the education, healthcare, and leisure and hospitality services sectors have all stabilized and more jobs are forecast in 2004.

Home building has also jumped more than 20 percent in 2003. Apartment unit permits are up 50 percent.

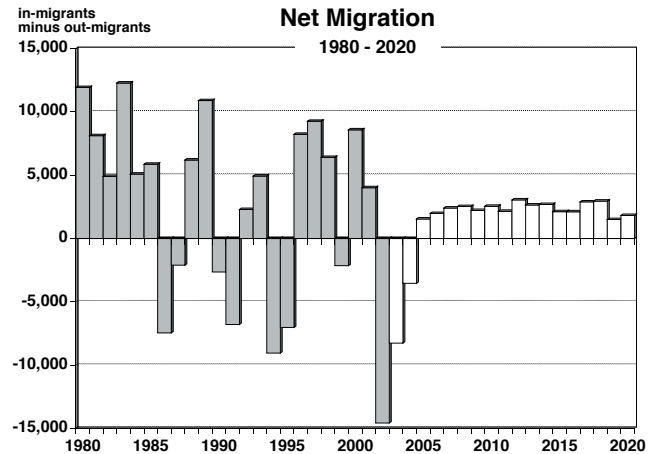
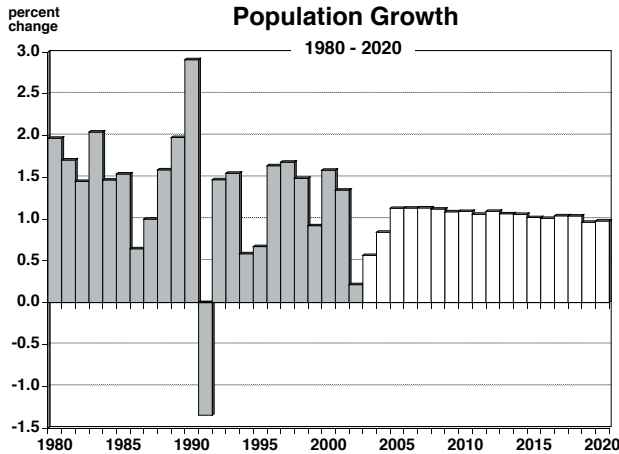


## Forecast Highlights

- Job growth remains depressed in 2003. The forecast has job growth turning positive in 2004, but remaining sluggish for the next several years. The average annual rate of job growth for the next 5 years is 1.1 percent year. High home prices and the lack of housing keep labor market growth modest in Santa Clara County.
- Employment in services will lead the labor market economic recovery in 2004 and 2005. The public sector will add jobs as well, due principally to the need for jobs in education. Healthcare services will also be in demand over the long term. The 5-year average annual rates of growth forecast for the principal sectors are as follows:

Construction:	1.8
Services:	1.7
Government:	1.0
Retail Trade:	1.6
Finance:	1.3
Manufacturing:	-1.2

- Population growth slows, due principally to the lack of and unaffordability of housing in the region. Compound annual growth in the 2003 to 2008 period averages 1.1 percent per year, down from 1.4 percent between 1995 and 2000. The population growth slowdown is principally led by out-migration of population to regions with more affordable housing, such as Stanislaus and San Joaquin Counties.



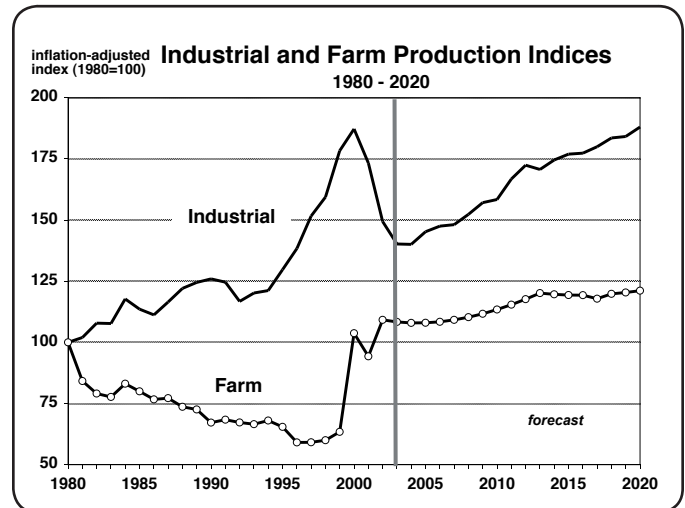
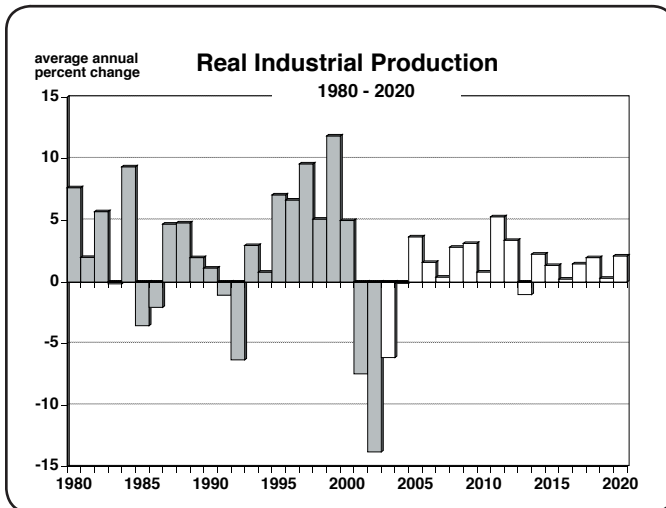
## Santa Clara County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

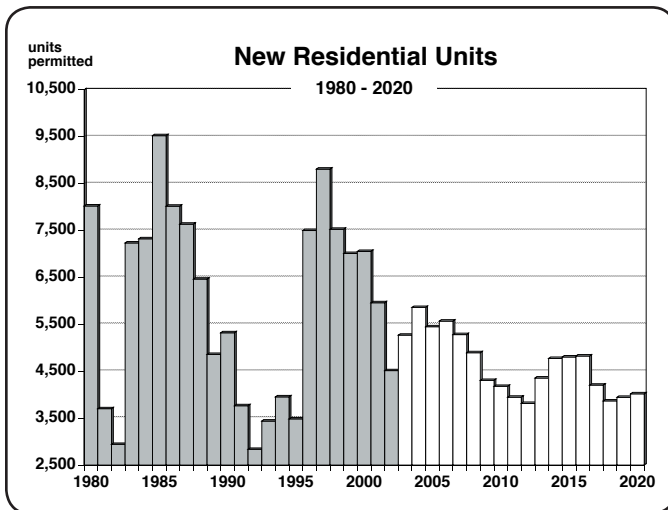
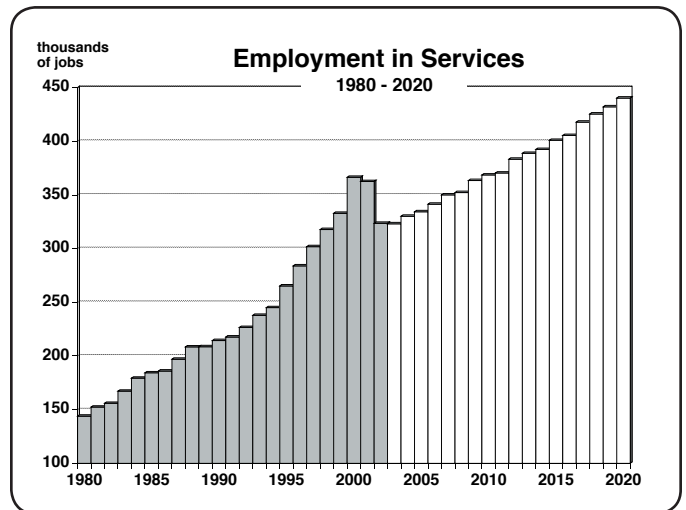
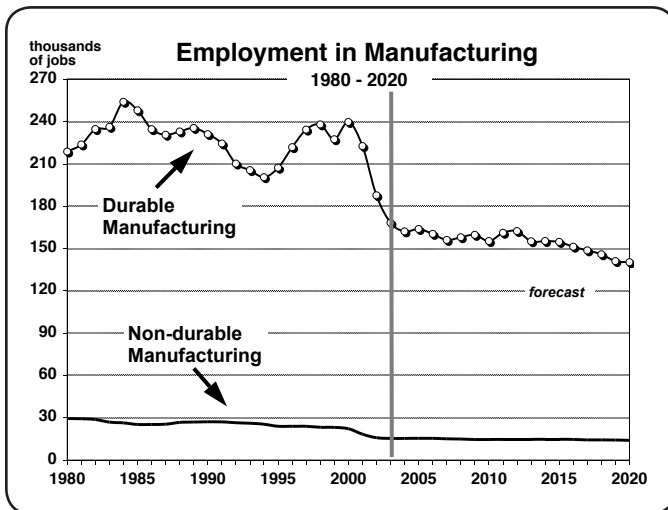
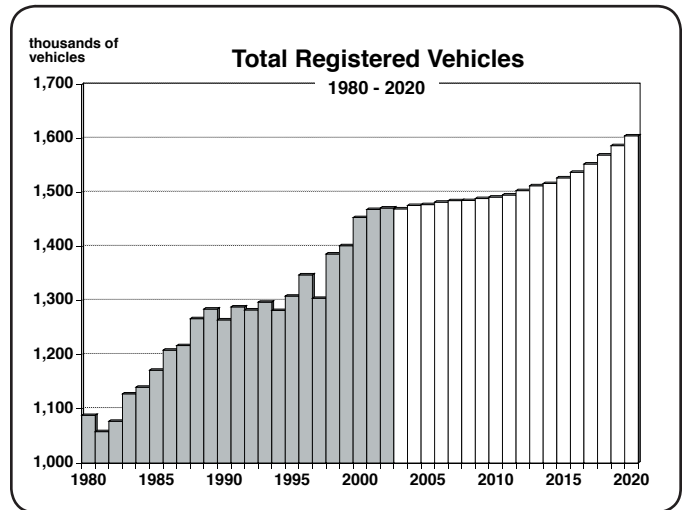
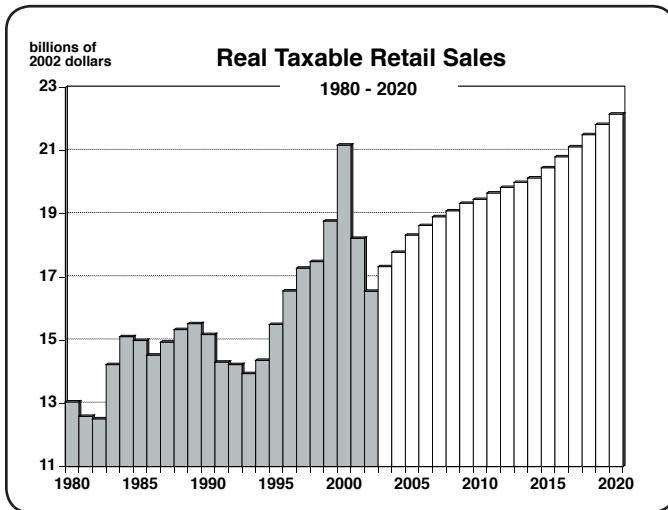
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	1,573,500	-7,025	1,309	538.1	3,484	\$13.5	\$56.2	\$40,950	\$177.4	\$23.9
1996	1,599,300	8,231	1,348	541.4	7,501	\$14.7	\$61.4	\$43,275	\$162.9	\$25.5
1997	1,626,200	9,261	1,305	544.4	8,810	\$15.6	\$66.9	\$45,578	\$165.8	\$28.0
1998	1,650,400	6,402	1,387	551.5	7,526	\$16.0	\$71.1	\$47,106	\$170.5	\$29.4
1999	1,665,600	-2,145	1,402	559.2	7,010	\$17.6	\$80.4	\$51,568	\$184.6	\$32.9
2000	1,692,000	8,588	1,454	564.7	7,054	\$20.5	\$96.2	\$58,793	\$311.8	\$34.6
2001	1,714,800	4,017	1,469	570.6	5,960	\$18.2	\$88.2	\$51,414	\$292.9	\$32.0
2002	1,718,500	-14,564	1,472	576.6	4,513	\$17.0	\$90.7	\$51,333	\$348.6	\$27.6
2003	1,728,223	-8,262	1,470	580.9	5,270	\$18.2	\$93.0	\$51,242	\$353.5	\$25.9
2004	1,742,800	-3,535	1,476	586.0	5,861	\$19.1	\$96.8	\$51,620	\$360.9	\$25.9
2005	1,762,477	1,545	1,478	591.6	5,449	\$20.2	\$102.3	\$52,668	\$369.8	\$26.8
2006	1,782,428	1,984	1,482	596.8	5,570	\$21.0	\$107.5	\$53,409	\$380.2	\$27.2
2007	1,802,652	2,410	1,485	602.2	5,281	\$21.8	\$113.2	\$54,410	\$391.6	\$27.3
2008	1,822,852	2,531	1,485	607.3	4,896	\$22.6	\$118.8	\$55,207	\$404.5	\$28.1
2009	1,842,672	2,219	1,489	612.0	4,306	\$23.4	\$125.0	\$56,198	\$419.0	\$29.0
2010	1,862,810	2,545	1,492	616.1	4,179	\$24.1	\$131.0	\$56,821	\$435.9	\$29.2
2011	1,882,522	2,152	1,496	620.1	3,946	\$24.9	\$137.0	\$57,397	\$454.6	\$30.8
2012	1,903,117	3,052	1,504	623.9	3,815	\$25.8	\$143.1	\$57,810	\$475.3	\$31.8
2013	1,923,358	2,652	1,513	627.6	4,356	\$26.7	\$149.3	\$58,178	\$498.0	\$31.5
2014	1,943,682	2,686	1,517	631.7	4,774	\$27.5	\$156.2	\$58,775	\$508.0	\$32.2
2015	1,963,480	2,119	1,528	636.3	4,804	\$28.6	\$163.6	\$59,525	\$519.0	\$32.7
2016	1,983,289	2,111	1,538	640.9	4,825	\$29.9	\$172.2	\$60,504	\$531.7	\$32.7
2017	2,003,913	2,896	1,553	645.6	4,205	\$31.1	\$181.2	\$61,437	\$538.9	\$33.2
2018	2,024,705	2,957	1,570	649.6	3,868	\$32.5	\$191.6	\$62,729	\$561.5	\$33.9
2019	2,044,199	1,504	1,587	653.3	3,945	\$33.7	\$204.1	\$64,611	\$577.7	\$34.0
2020	2,064,182	1,821	1,605	657.0	4,020	\$35.0	\$215.6	\$66,092	\$594.6	\$34.7

- Real per capita income dropped sharply in 2001. This trend is forecast to reverse in 2004, and incomes will rise as the labor markets and the capital markets stabilize. Between 1997 and 2002, real per capita personal income increased an average of 2.4 percent per year. Real per capita income is forecast to rise an average of 1.5 percent per year between 2003 and 2008.
- The median home price rises an average of 3.3 percent per year, adjusted for inflation. This is a sharp decline from the unsustainable 7.4 percent average real appreciation per year between 1997 and 2002.





Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
836.4	4.5	28.7	0.1	231.2	24.0	166.1	28.7	265.3	87.8
885.0	5.1	32.7	0.1	245.9	25.4	174.6	30.0	283.9	87.4
931.7	5.1	37.3	0.1	258.2	27.2	182.7	30.6	301.8	88.5
961.5	5.2	41.7	0.1	261.3	28.3	186.4	31.8	317.8	88.9
976.6	5.3	45.5	0.1	250.7	28.3	190.0	32.3	332.9	91.4
1,035.0	5.0	49.0	0.2	261.9	29.4	196.4	32.3	366.4	94.5
1,008.1	4.6	48.6	0.2	241.1	30.2	193.0	33.4	362.5	94.6
913.8	4.5	42.9	0.2	203.6	27.4	181.5	32.2	323.6	97.9
895.7	4.6	43.8	0.2	183.7	27.9	182.9	31.7	323.1	97.8
900.9	4.7	45.0	0.2	177.5	28.4	185.0	31.7	330.1	98.3
912.1	4.8	45.9	0.2	179.3	28.8	187.5	32.1	334.4	99.2
922.2	4.8	46.9	0.2	175.9	29.6	190.5	32.7	341.4	100.3
932.8	4.9	47.6	0.2	171.2	30.2	194.0	33.2	350.0	101.5
943.6	4.9	47.9	0.1	172.9	30.7	198.0	33.8	352.2	103.0
964.5	5.0	48.7	0.1	174.3	31.3	202.9	34.3	363.4	104.4
974.2	4.9	49.2	0.1	170.0	32.0	208.5	34.8	368.6	106.1
991.3	5.0	49.5	0.1	175.8	32.6	214.8	35.4	370.4	107.6
1,016.2	4.8	50.4	0.1	177.1	33.2	222.2	35.9	383.3	109.2
1,025.6	4.7	51.0	0.1	169.8	33.6	230.3	36.5	388.7	110.7
1,041.1	4.6	51.5	0.1	170.1	34.0	239.2	37.0	392.4	112.2
1,061.9	4.7	52.2	0.1	169.5	34.5	248.8	37.5	400.9	113.8
1,076.5	4.8	52.9	0.1	165.9	34.9	259.2	38.0	405.4	115.3
1,099.1	4.7	52.0	0.1	163.0	35.5	270.7	38.5	417.8	116.8
1,117.6	4.7	50.5	0.1	160.2	36.1	283.2	39.1	425.4	118.4
1,135.1	4.6	49.7	0.1	155.3	36.8	296.9	39.7	432.1	120.0
1,157.7	4.6	47.3	0.1	154.3	37.4	311.9	40.3	440.2	121.6



# Santa Cruz County Economic Forecast

Mild weather, natural beauty, a major university, and proximity to the Silicon Valley are elements that contribute to economic activity and the quality of life in Santa Cruz County. With its spectacular coastline, and accessible beaches and mountains, the county is a popular vacation and recreation area.

## Population • January 2003

City	Population	2002-2003 % change
Capitola	10,150	0.5
Santa Cruz	55,600	1.6
Scotts Valley	11,650	1.3
Watsonville	47,700	0.2
<b>Total County</b>	<b>259,800</b>	<b>0.5</b>

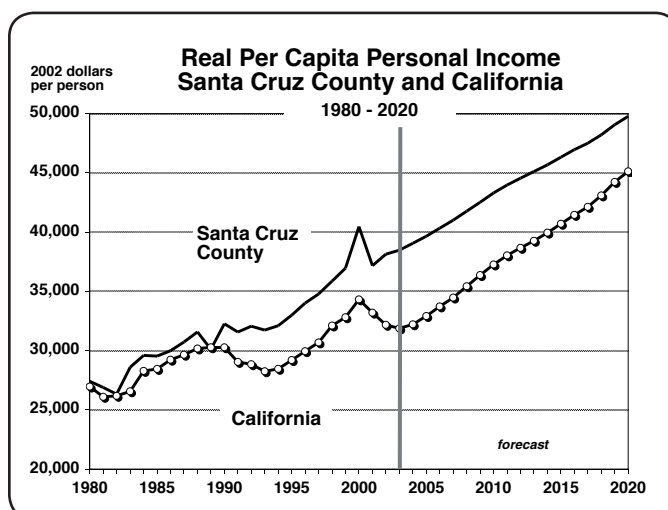
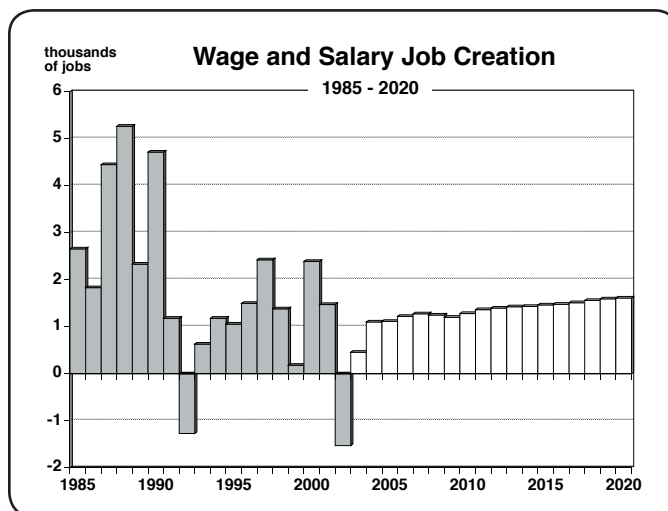
The county is largely dependent upon tourism and recreation. Not surprisingly, the 2002 annual averages show services, retail trade, and government were the dominant employment industries in the county. Services accounted for the largest share of employment with more than 28 percent, and retail trade contributed 26 percent of the total.

Non-farm industry employment projections have the government, services, and retail trade industries dominating growth over the next 5 years. These three industries, combined, are expected to account for 87 percent of the total growth in employment. By the year 2008, government is projected to add nearly 1,000 jobs, and services should add 3,200. Within services, a majority of the new jobs are expected in information technology. The county's retail trade industry will add 950 jobs over the five-year period.

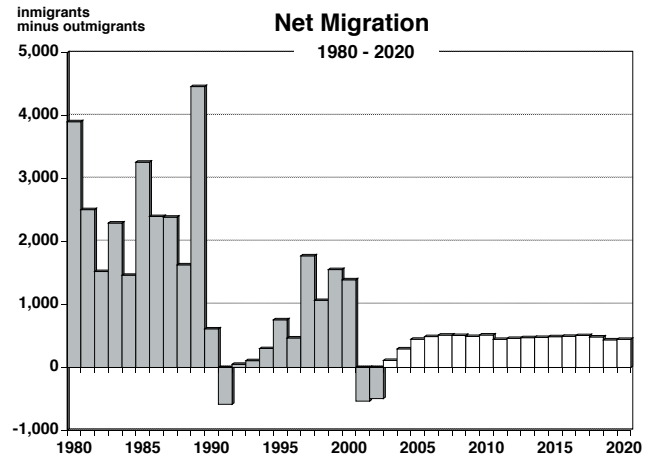
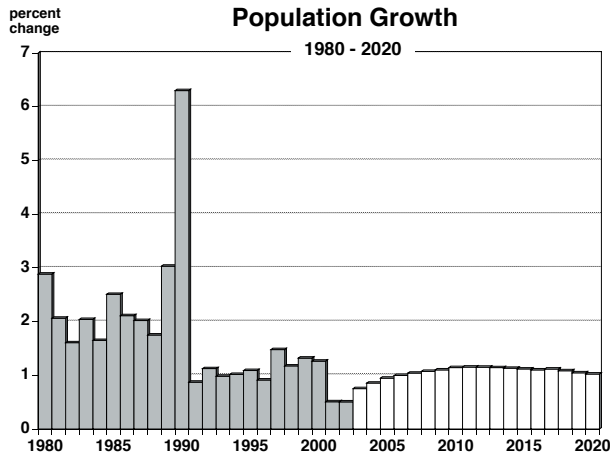
The southern area of Santa Cruz County, part of the fertile Pajaro Valley, is a productive agricultural district yielding strawberries, apples, lettuce, brussels sprouts, and flowers. Food processing firms, closely tied to farming, are located in or near Watsonville, the major community in the region. Employment not directly related to agriculture or tourism, such as computer services, educational services, and electronics-related manufacturing are scattered throughout the county.

## Forecast Highlights

- Non-farm employment will grow 1.1 percent per year between 2003 and 2008. Farm employment is forecast to grow 0.4 percent per year over the same time period.



- Between 2003 and 2008, an annual average of 945 new residential units are authorized through the permitting process.
- Population growth slows to 1.0 percent per year between 2003 and 2008. The natural increase in population is responsible for most of the growth in total population. Net migration averages nearly 400 new residents per year.
- Real per capita income rises an average 1.7 percent per year over the next 5 years. The average increase in real per capita for the entire State of California is 2.1 percent over the same period.



## Santa Cruz County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

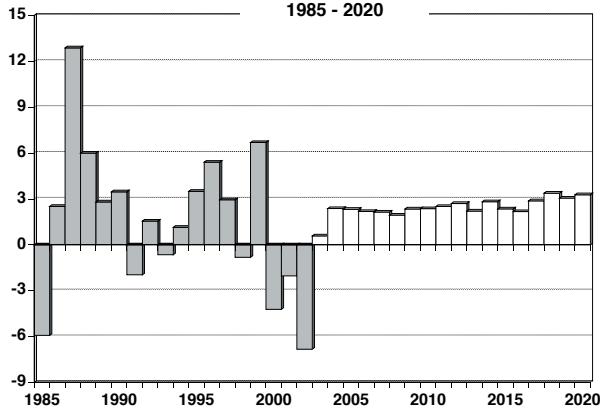
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	241,200	758	204	86.3	503	\$1.4	\$6.3	\$32,998	\$235	\$1.5
1996	243,400	470	208	86.6	536	\$1.5	\$6.7	\$34,009	\$244	\$1.6
1997	247,000	1,774	200	86.9	751	\$1.6	\$7.1	\$34,784	\$279	\$1.6
1998	249,900	1,066	215	87.5	639	\$1.7	\$7.7	\$35,868	\$231	\$1.6
1999	253,200	1,556	220	88.0	506	\$1.9	\$8.4	\$36,952	\$309	\$1.7
2000	256,400	1,394	227	91.1	587	\$2.1	\$9.7	\$40,465	\$352	\$1.6
2001	257,700	-534	233	91.5	602	\$2.1	\$9.4	\$37,176	\$365	\$1.6
2002	259,000	-494	235	92.0	842	\$2.1	\$9.9	\$38,132	\$378	\$1.5
2003	260,949	113	237	92.7	911	\$2.2	\$10.3	\$38,473	\$387	\$1.5
2004	263,180	297	241	93.6	955	\$2.2	\$10.9	\$39,054	\$399	\$1.5
2005	265,673	449	244	94.5	958	\$2.3	\$11.4	\$39,659	\$413	\$1.6
2006	268,320	491	247	95.4	952	\$2.4	\$12.1	\$40,329	\$427	\$1.6
2007	271,112	514	251	96.2	959	\$2.5	\$12.7	\$41,010	\$441	\$1.6
2008	274,021	509	254	97.1	940	\$2.6	\$13.5	\$41,771	\$456	\$1.7
2009	277,036	493	257	98.0	892	\$2.8	\$14.2	\$42,517	\$471	\$1.7
2010	280,205	517	261	98.8	860	\$2.9	\$15.1	\$43,306	\$488	\$1.7
2011	283,433	447	265	99.6	873	\$3.0	\$16.0	\$43,978	\$506	\$1.8
2012	286,695	462	267	100.5	922	\$3.2	\$16.8	\$44,549	\$525	\$1.8
2013	289,970	474	269	101.3	802	\$3.3	\$17.8	\$45,112	\$545	\$1.9
2014	293,250	478	271	102.1	801	\$3.5	\$18.7	\$45,675	\$565	\$1.9
2015	296,527	489	271	102.8	735	\$3.7	\$19.8	\$46,324	\$585	\$2.0
2016	299,790	496	273	103.5	731	\$3.8	\$20.9	\$46,966	\$607	\$2.0
2017	303,135	508	273	104.2	702	\$4.0	\$22.1	\$47,508	\$630	\$2.1
2018	306,422	485	274	104.8	743	\$4.2	\$23.4	\$48,209	\$654	\$2.1
2019	309,628	439	276	105.5	747	\$4.4	\$24.8	\$49,070	\$678	\$2.2
2020	312,798	447	276	106.2	757	\$4.6	\$26.1	\$49,770	\$702	\$2.3

- The median home selling price reached \$482,000 during 2002. Many homes today sell for over \$500,000. Real home selling prices are forecast to rise 2.3 percent per year between 2002 and 2007. During the 1997 to 2002 period, the inflation-adjusted median home selling price leaped an average of 11 percent per year.

average annual  
percent change

### Real Industrial Production

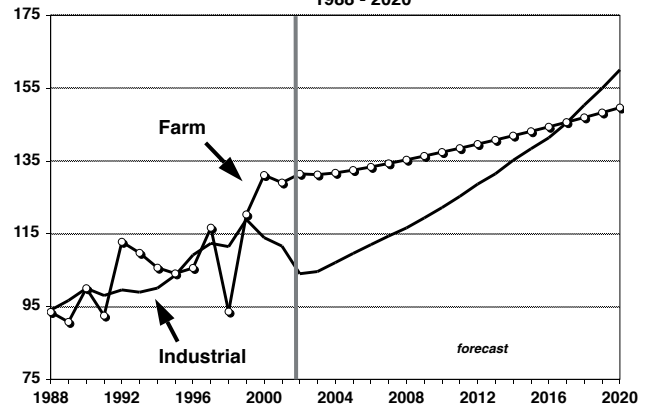
1985 - 2020



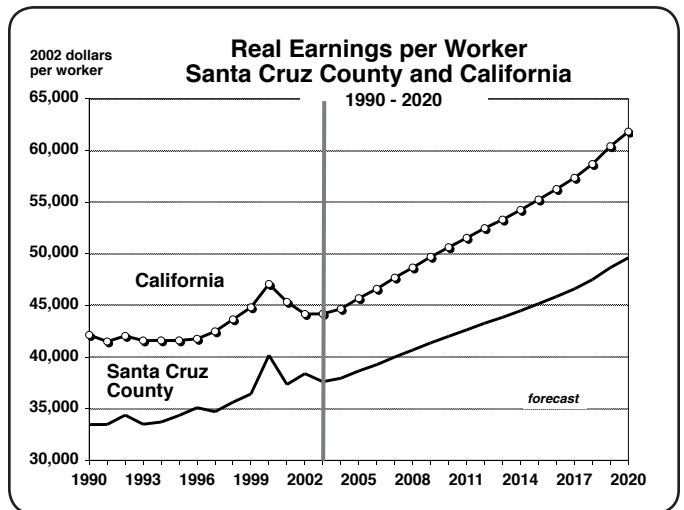
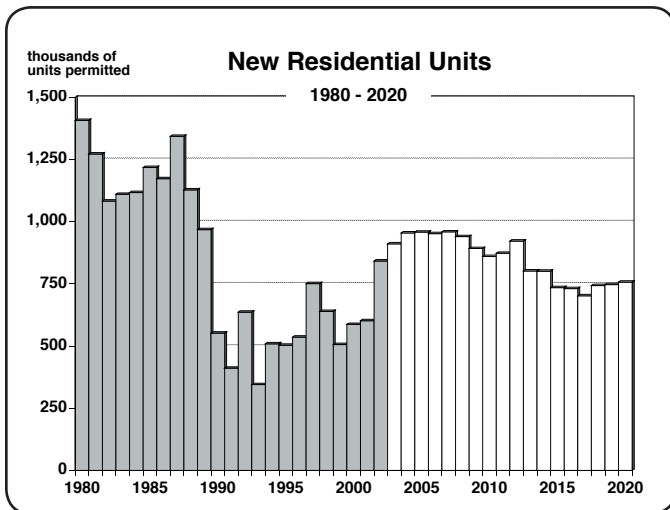
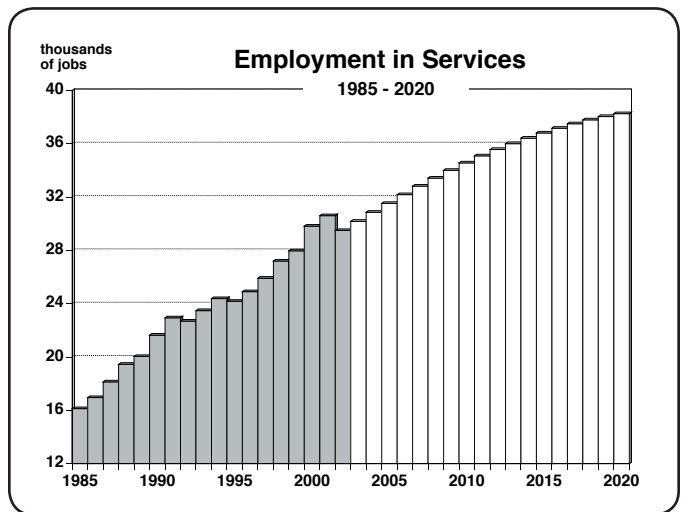
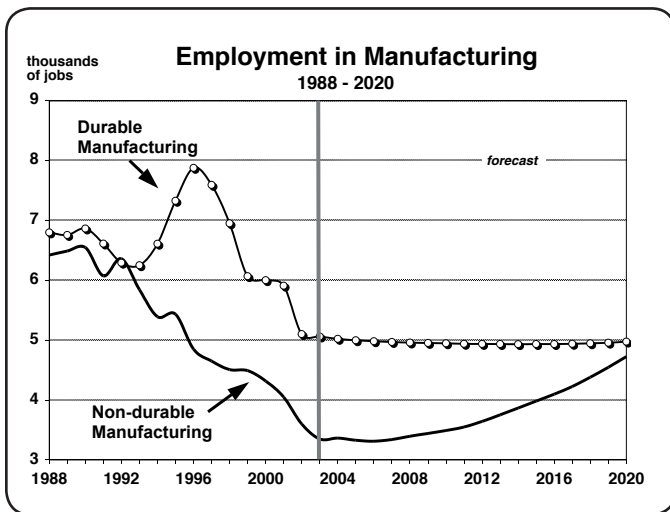
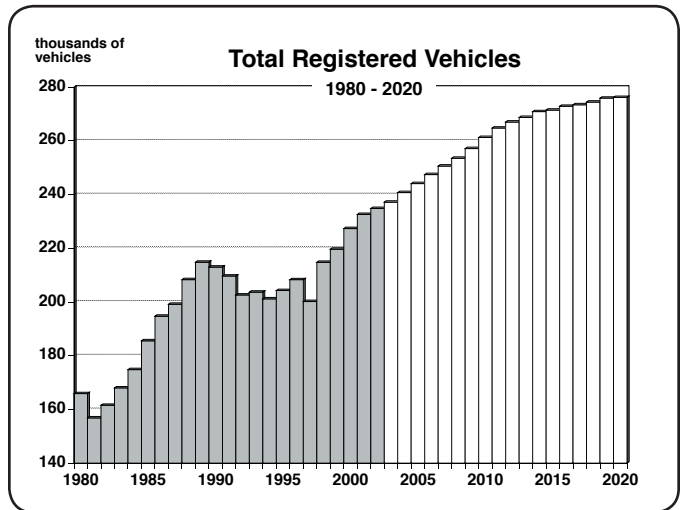
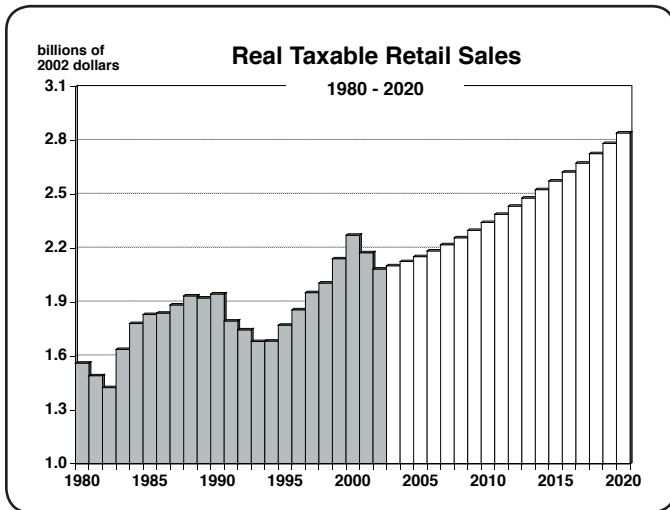
Inflation-adjusted  
index (1990=100)

### Industrial and Farm Production Indices

1988 - 2020



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
97.7	11.7	3.2	0.0	12.8	2.5	23.4	3.1	24.2	16.7
99.2	11.7	3.4	0.1	12.7	2.8	23.7	3.0	24.9	16.9
101.6	11.2	3.7	0.1	12.2	3.0	24.6	3.3	25.9	17.6
103.0	11.0	4.0	0.1	11.5	3.1	24.7	3.5	27.2	18.0
103.2	9.1	4.6	0.1	10.6	3.0	25.4	3.7	28.0	18.8
105.6	8.3	4.8	0.0	10.3	2.9	26.2	3.7	29.8	19.5
107.0	7.8	5.1	0.0	10.0	3.0	27.0	3.5	30.6	20.2
105.5	8.3	4.7	0.0	8.7	3.0	27.2	3.5	29.5	20.6
106.0	8.3	4.9	0.0	8.4	3.0	27.3	3.6	30.2	20.3
107.1	8.3	5.0	0.0	8.4	3.0	27.4	3.6	30.9	20.5
108.2	8.4	5.0	0.0	8.3	3.0	27.5	3.7	31.5	20.7
109.4	8.4	5.1	0.0	8.3	3.0	27.7	3.8	32.2	20.9
110.7	8.4	5.1	0.0	8.3	3.0	27.9	3.9	32.8	21.1
111.9	8.5	5.2	0.0	8.4	3.0	28.2	4.0	33.4	21.3
113.1	8.5	5.2	0.0	8.4	3.0	28.5	4.1	34.0	21.4
114.4	8.6	5.2	0.0	8.4	3.0	28.9	4.2	34.6	21.6
115.8	8.6	5.2	0.0	8.5	3.0	29.3	4.3	35.1	21.8
117.2	8.7	5.2	0.0	8.6	3.0	29.7	4.4	35.6	22.1
118.6	8.7	5.2	0.0	8.7	3.0	30.1	4.5	36.0	22.4
120.0	8.8	5.2	0.0	8.8	3.0	30.6	4.6	36.4	22.7
121.5	8.8	5.2	0.0	8.9	3.0	31.1	4.6	36.8	23.1
123.0	8.9	5.2	0.0	9.0	2.9	31.6	4.7	37.2	23.4
124.5	8.9	5.2	0.0	9.2	2.9	32.1	4.8	37.5	23.8
126.1	9.0	5.3	0.0	9.3	2.9	32.6	4.9	37.8	24.2
127.7	9.0	5.3	0.0	9.5	2.9	33.2	5.0	38.0	24.7
129.3	9.1	5.3	0.0	9.7	2.9	33.7	5.1	38.3	25.1



# Shasta County Economic Forecast

Recreational demand for camping, hiking, boating, and other outdoor sport opportunities dominate the Shasta County economy, along with a thriving agricultural industry.

The population of Shasta County in January of 2003 was 172,000 residents, an increase over the 2000 Census of 5.3 percent. Redding, the largest city in the county, has a population of 85,700. The two cities other cities, Anderson and Shasta Lake, have populations approaching 10,000 residents each. The population at Shasta Lake has grown an average of 2.6 percent per year since the 2000 Census. The population projections indicate that by the year 2010, Shasta County will reach 195,000 residents, an increase of 12 percent over the 2003 population level.

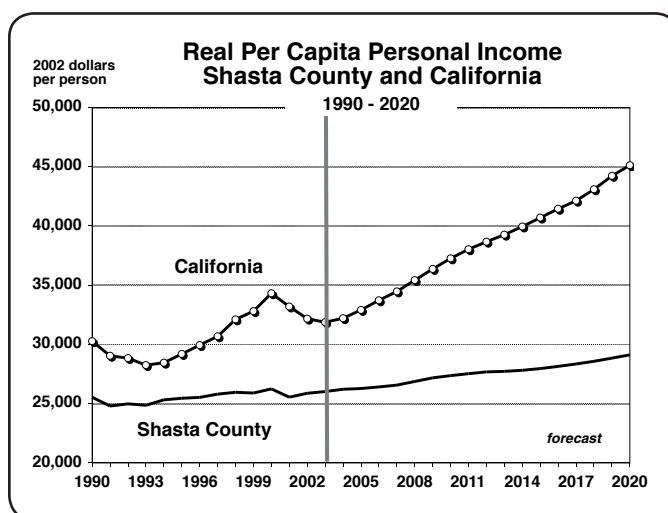
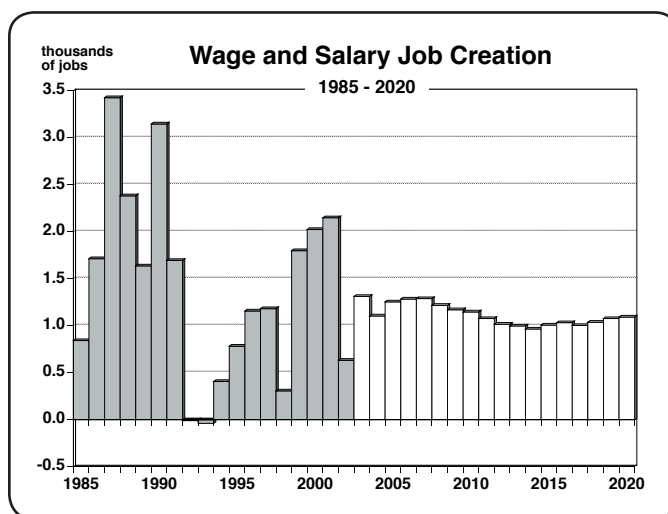
The county's 2002 annual average unemployment rate of 7.4 percent was higher than the state's rate of 6.6 percent. The 2002 rate is a significant improvement over the rates of 10 percent and higher that prevailed in the county between 1991 and 1995.

Services, retail trade, and government dominate the county's total employment, with 78 percent of all wage and salary jobs. In 2002, services accounted for the largest share with 31 percent of all employment. The largest concentration of service jobs is in the healthcare sector. Shasta County has become the largest medical services hub north of Sacramento, with two major medical centers, a rehabilitation hospital, and numerous specialized medical clinics and facilities.

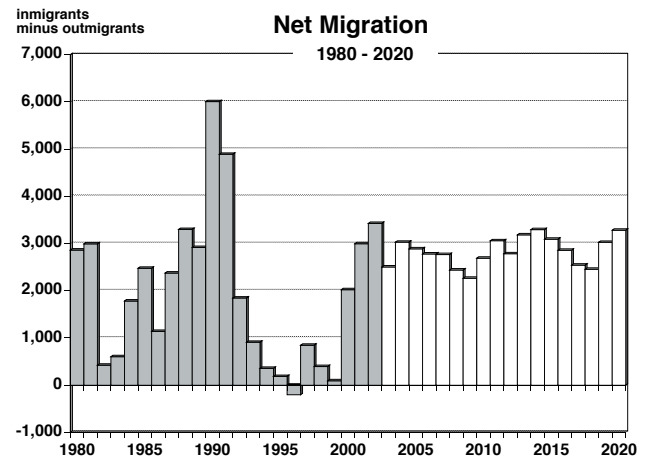
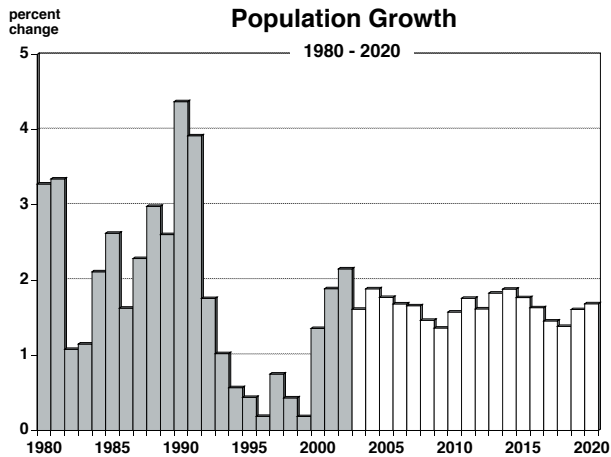
The Shasta County economy relied heavily on timber and timber products industries in the past. However, a greater diversity of industries is now being encouraged. Economic development efforts have aggressively recruited new businesses, bringing manufacturers, call centers, private education, and major retailers to the area. Recently, manufacturing employment has declined, in tandem with the weaker state economy since mid-2000. The forecast however, has more durable manufacturing jobs being created over the next 10 years.

## Forecast Highlights

- Non-farm employment growth averages 1.9 percent per year between 2003 and 2008. Employment in farming increases 0.4 percent per year over the same time period.



- Population growth accelerates from the average per year rate of 0.5 percent between 1997 and 2002, to 1.7 percent per year between 2003 and 2008. The forecast calls for consistent levels of positive net migration, due to the expansion of the business economy in services, manufacturing, and construction. The number of births also increases later in the decade as the 20 to 29 year old age cohort increases steadily.
- The government sector is forecast to add over 1,000 new jobs over the next 5 years. Services will contribute nearly 2,800 new positions, and retail trade is forecast to increase by 1,200 new jobs between 2003 and 2008.



## Shasta County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	159,700	186	167	63.0	772	\$1.0	\$3.2	\$25,459	\$46	\$1.7
1996	160,000	-201	168	63.6	716	\$1.1	\$3.3	\$25,531	\$46	\$1.9
1997	161,200	847	160	64.3	676	\$1.1	\$3.5	\$25,809	\$53	\$2.1
1998	161,900	397	167	65.1	694	\$1.2	\$3.6	\$25,965	\$48	\$1.9
1999	162,200	95	172	65.8	809	\$1.3	\$3.8	\$25,896	\$50	\$2.4
2000	164,400	2,024	181	63.4	972	\$1.4	\$4.0	\$26,251	\$51	\$2.7
2001	167,500	2,998	193	64.0	1,021	\$1.5	\$4.2	\$25,549	\$52	\$2.7
2002	171,100	3,428	196	64.9	1,341	\$1.6	\$4.4	\$25,878	\$52	\$2.6
2003	173,859	2,505	200	66.4	1,128	\$1.6	\$4.6	\$26,023	\$56	\$2.7
2004	177,134	3,030	203	67.5	1,076	\$1.7	\$4.9	\$26,220	\$60	\$2.8
2005	180,268	2,890	208	68.6	1,082	\$1.7	\$5.1	\$26,285	\$64	\$2.9
2006	183,303	2,781	211	69.6	974	\$1.8	\$5.4	\$26,416	\$68	\$3.0
2007	186,343	2,768	216	70.6	954	\$1.9	\$5.7	\$26,573	\$71	\$3.1
2008	189,073	2,442	220	71.5	834	\$1.9	\$6.0	\$26,879	\$75	\$3.2
2009	191,649	2,265	225	72.3	791	\$2.0	\$6.3	\$27,180	\$78	\$3.3
2010	194,668	2,691	230	73.1	966	\$2.1	\$6.6	\$27,374	\$82	\$3.5
2011	198,089	3,060	234	74.0	1,097	\$2.2	\$6.9	\$27,534	\$85	\$3.6
2012	201,292	2,785	239	75.1	1,026	\$2.3	\$7.3	\$27,686	\$88	\$3.7
2013	204,970	3,186	244	76.1	1,194	\$2.4	\$7.7	\$27,730	\$92	\$3.8
2014	208,823	3,295	249	77.2	1,232	\$2.5	\$8.0	\$27,817	\$95	\$4.0
2015	212,513	3,092	253	78.4	1,154	\$2.6	\$8.4	\$27,962	\$98	\$4.0
2016	215,982	2,859	256	79.5	1,038	\$2.7	\$8.9	\$28,144	\$101	\$4.1
2017	219,127	2,545	260	80.5	907	\$2.8	\$9.3	\$28,350	\$104	\$4.1
2018	222,160	2,457	262	81.4	879	\$2.9	\$9.8	\$28,583	\$107	\$4.2
2019	225,733	3,027	265	82.3	1,077	\$3.0	\$10.3	\$28,850	\$110	\$4.3
2020	229,536	3,283	267	83.3	1,146	\$3.2	\$10.9	\$29,122	\$113	\$4.5

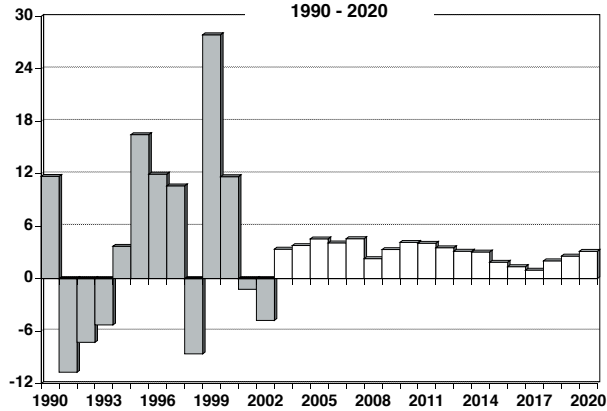
- Real per capita income is projected to increase 0.7 percent per year over the next 5 years. This is an acceleration of the negligible rate of growth in income that occurred between 1997 and 2002 in the county.
- An average of 1,000 new residential units are forecast per year over the next 5 years: 2003 to 2008. This is a 9 percent increase over the average 919 units per year, authorized between 1997 and 2002.



average annual  
percent change

### Real Industrial Production

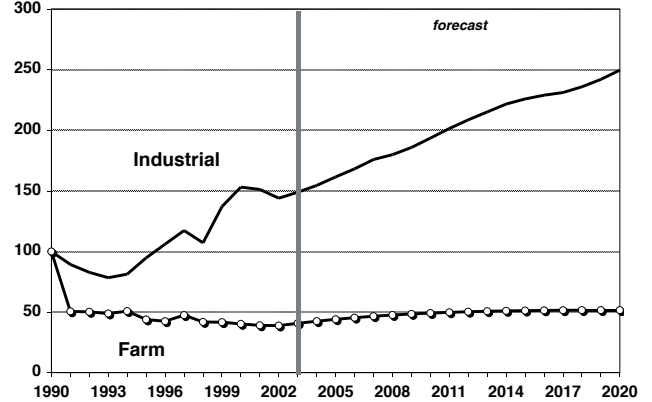
1990 - 2020



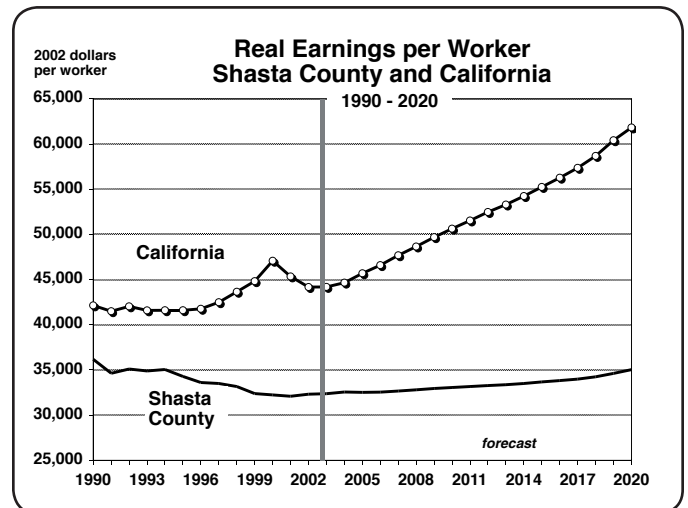
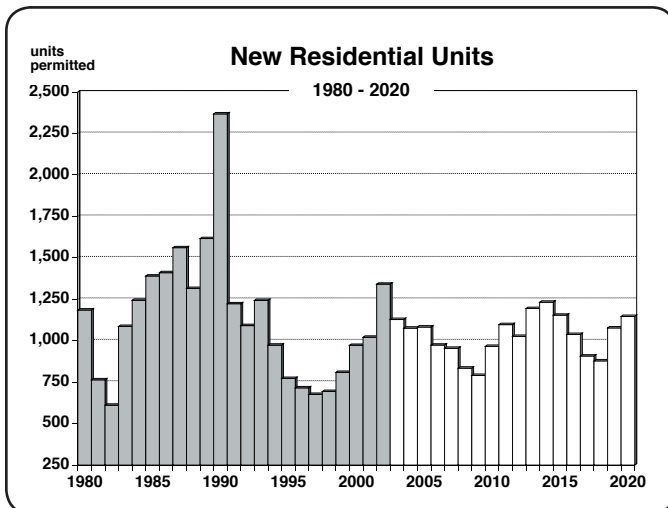
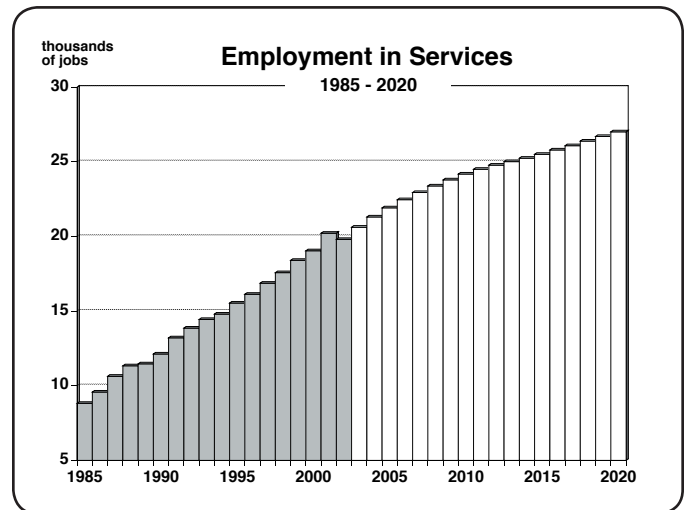
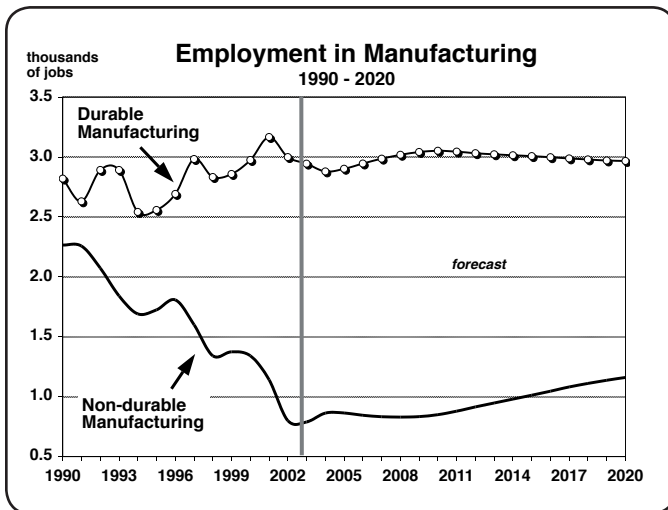
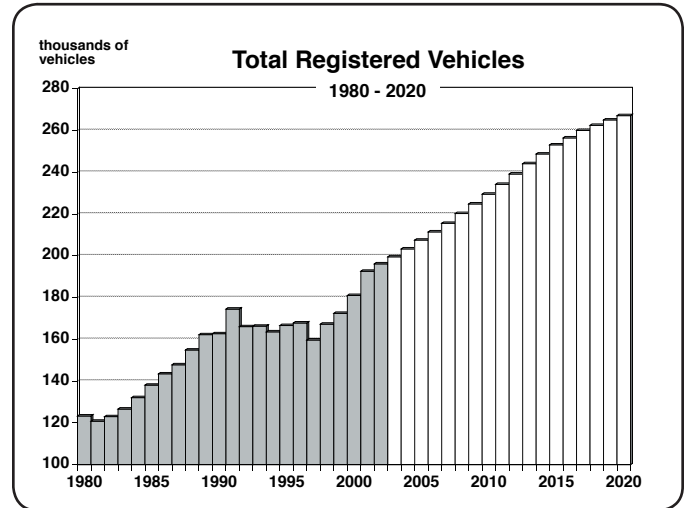
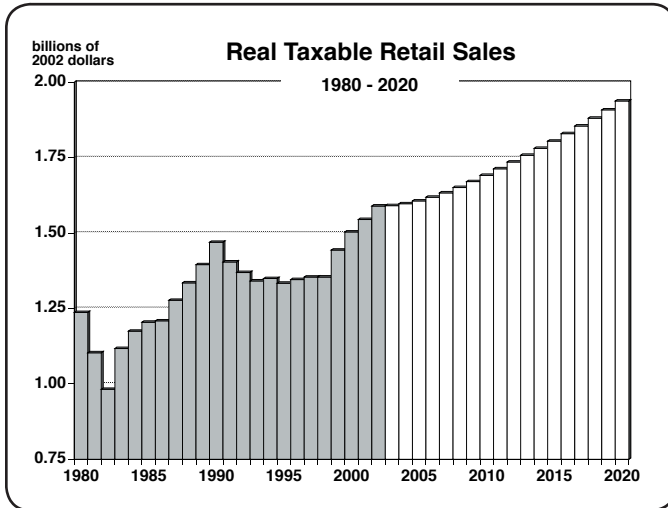
inflation-adjusted  
index (1990=100)

### Industrial and Farm Production Indices

1990 - 2020



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
53.7	0.9	3.2	4.3	3.6	14.4	1.7	15.5	10.1
54.9	1.0	3.3	4.5	3.6	14.3	1.7	16.1	10.2
56.1	0.8	3.5	4.6	3.7	14.4	1.7	16.9	10.6
56.4	0.9	3.2	4.2	3.9	14.3	1.7	17.6	10.7
58.2	0.9	3.5	4.2	3.8	14.5	1.8	18.4	11.1
60.2	0.9	3.7	4.3	3.7	14.8	1.7	19.0	12.1
62.4	1.0	4.0	4.3	3.4	15.0	2.1	20.2	12.5
63.0	1.0	3.8	3.8	3.3	15.2	2.1	19.8	14.0
64.3	1.0	3.9	3.7	3.3	15.4	2.1	20.6	14.2
65.4	1.0	4.0	3.7	3.4	15.4	2.1	21.3	14.4
66.7	1.0	4.1	3.8	3.4	15.6	2.1	21.9	14.6
68.0	1.0	4.2	3.8	3.5	15.9	2.2	22.5	14.9
69.2	1.0	4.3	3.8	3.6	16.3	2.2	22.9	15.1
70.5	1.0	4.3	3.8	3.6	16.6	2.3	23.4	15.4
71.6	1.0	4.4	3.9	3.7	16.9	2.3	23.8	15.7
72.8	1.0	4.4	3.9	3.8	17.2	2.4	24.2	15.9
73.9	1.0	4.5	3.9	3.8	17.4	2.5	24.5	16.2
74.9	1.0	4.5	3.9	3.9	17.7	2.6	24.8	16.4
75.9	1.0	4.6	4.0	4.0	17.9	2.7	25.0	16.7
76.8	1.0	4.7	4.0	4.0	18.2	2.8	25.2	16.9
77.9	1.0	4.7	4.0	4.1	18.4	2.9	25.5	17.2
78.9	1.0	4.7	4.0	4.1	18.7	2.9	25.8	17.5
79.9	1.0	4.7	4.1	4.2	19.0	3.0	26.1	17.8
80.9	1.0	4.7	4.1	4.3	19.2	3.1	26.4	18.1
82.0	1.0	4.7	4.1	4.3	19.5	3.2	26.7	18.4
83.1	1.0	4.8	4.1	4.4	19.8	3.3	27.0	18.7



# Sierra County Economic Forecast

At 5,000 feet in altitude, the Sierra Valley's wide-open ranchland is home to a majority of the county's residents. In January 2003, Sierra County's population was estimated at 3,520, indicating no increase in population from a year ago. It is the second-smallest county in population (second to Alpine County) in the state. By the year 2010, population projections show Sierra County with 3,715 residents, an increase of 5.5 percent over the 2003 population of 3,520.

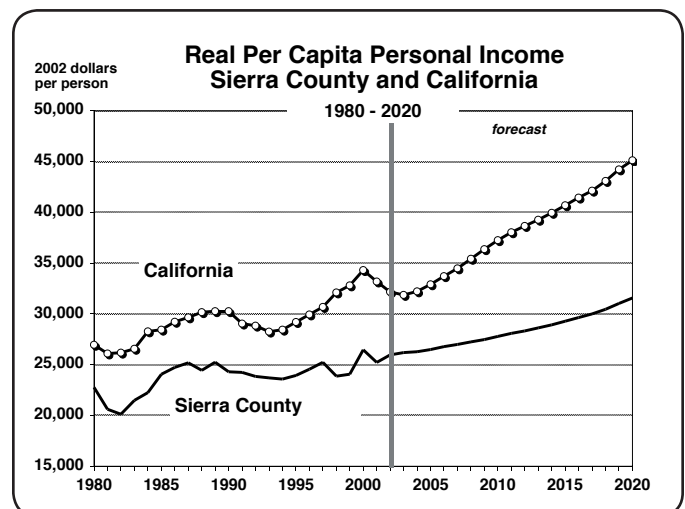
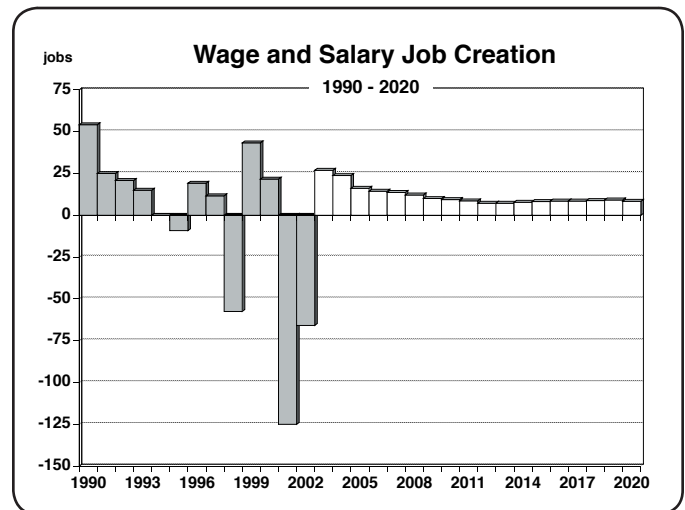
Sierra County's economic base includes government, goods production, and trade. Employment is mostly government related, employing approximately 40 percent of the work force. The goods producing sector (representing the combined industries of manufacturing, construction, and mining) account for 19.3 percent of all jobs. Wholesale and retail trade contributes 11 percent of the total employment. Timber, tourism-related activities, and self-employment make up the balance of the employment opportunities in the county.

Last year, the county lost 65 total wage and salary jobs. In 2003, the county is expected to create between 20 and 30 new positions.

One of Sierra County's largest private employers experienced severe cutbacks in 2000, resulting in substantial layoffs. Although the layoffs have had serious economic effects throughout the closely-knit community, the economy is forecast to gradually rebound over the remainder of the decade. By 2010, nearly 130 new jobs are forecast for the county.

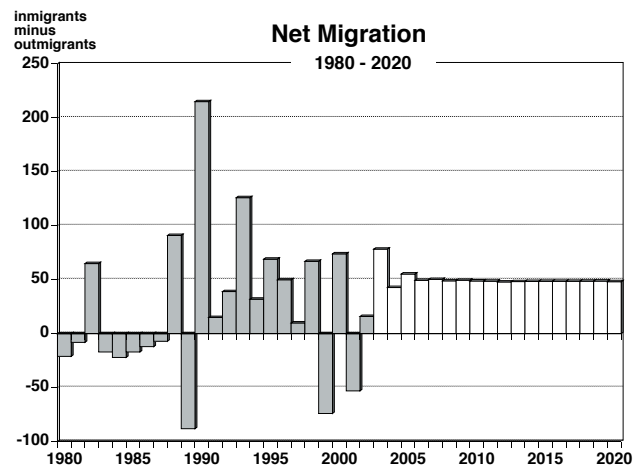
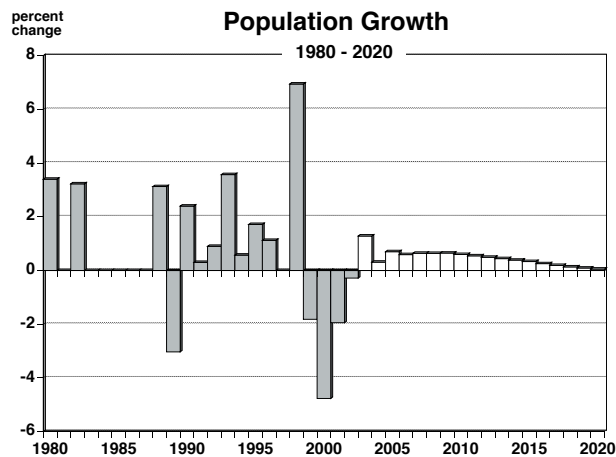
## Forecast Highlights

- Total employment rises from 857 to 937 workers, between 2002 and 2008. The principal sectors of growth are government, transportation, and retail trade. The goods producing sector is forecast to create about 40 new jobs.
- Inflation-adjusted per capita income rises an average of 0.8 percent per year over the next 5 years. In 2002, per person average income was \$25,965. The principal component of new income will be transfer payments and non-wage income from assets.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 15 per year, the same as



the number of units built per year between 1997 and 2002 in Sierra County.

- The unemployment rate declines throughout the forecast period, but remains in the 10 to 11 percent range.
- Population growth accelerates over the next 5 years, averaging 0.6 percent growth per year. This compares to the -0.5 percent average annual growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and higher net migration are responsible for the higher rate of population growth projected during the decade.



## Sierra County Economic Forecast

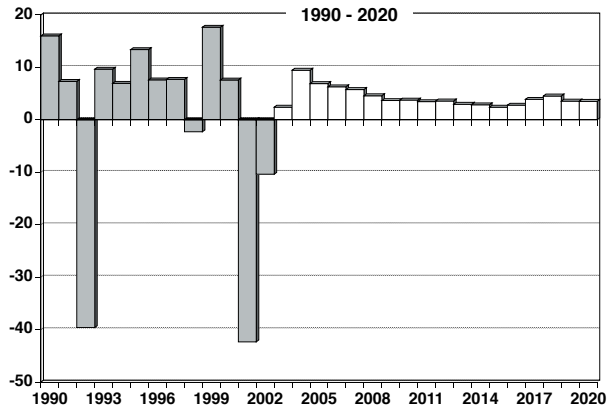
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	3,560	69	4.3	1.4	17	\$7.2	\$66.9	\$23,946	\$4.6	\$26.4
1996	3,600	50	4.4	1.4	16	\$7.3	\$71.0	\$24,550	\$4.6	\$28.4
1997	3,600	10	4.2	1.4	9	\$7.4	\$75.5	\$25,235	\$5.4	\$30.6
1998	3,850	67	4.3	1.4	10	\$7.0	\$78.8	\$23,871	\$5.5	\$29.9
1999	3,780	-74	4.5	1.4	14	\$7.8	\$81.3	\$24,061	\$5.7	\$35.2
2000	3,600	74	4.7	1.5	19	\$8.4	\$89.0	\$26,475	\$6.3	\$37.9
2001	3,530	-53	4.9	1.5	18	\$8.9	\$87.6	\$25,226	\$6.9	\$21.8
2002	3,520	16	4.9	1.5	17	\$10.9	\$91.4	\$25,966	\$4.4	\$19.6
2003	3,565	78	4.9	1.5	15	\$11.7	\$95.7	\$26,191	\$4.4	\$20.0
2004	3,576	43	5.0	1.5	15	\$12.4	\$99.0	\$26,275	\$4.5	\$21.9
2005	3,601	55	5.0	1.5	15	\$12.9	\$103.3	\$26,491	\$4.6	\$23.4
2006	3,623	49	5.1	1.5	15	\$13.5	\$108.0	\$26,784	\$4.7	\$24.9
2007	3,646	50	5.2	1.5	15	\$14.1	\$112.4	\$26,996	\$4.8	\$26.4
2008	3,669	49	5.2	1.5	15	\$14.7	\$117.2	\$27,253	\$4.9	\$27.6
2009	3,693	49	5.2	1.5	15	\$15.3	\$122.0	\$27,481	\$5.1	\$28.6
2010	3,715	49	5.3	1.5	15	\$16.0	\$127.6	\$27,790	\$5.2	\$29.7
2011	3,736	49	5.3	1.5	15	\$16.8	\$133.4	\$28,092	\$5.4	\$30.7
2012	3,754	48	5.4	1.5	15	\$17.5	\$139.1	\$28,326	\$5.5	\$31.8
2013	3,771	48	5.6	1.5	15	\$18.4	\$145.3	\$28,629	\$5.7	\$32.7
2014	3,785	48	5.7	1.5	15	\$19.2	\$151.5	\$28,925	\$5.8	\$33.7
2015	3,798	49	5.8	1.5	15	\$20.1	\$158.0	\$29,281	\$6.0	\$34.5
2016	3,807	49	5.9	1.5	15	\$21.0	\$164.9	\$29,645	\$6.1	\$35.4
2017	3,815	48	6.1	1.5	15	\$22.1	\$172.2	\$30,008	\$6.3	\$36.8
2018	3,820	49	6.2	1.5	15	\$23.1	\$180.0	\$30,461	\$6.5	\$38.5
2019	3,823	49	6.3	1.5	15	\$24.2	\$188.6	\$31,033	\$6.7	\$39.9
2020	3,825	48	6.4	1.5	15	\$25.3	\$197.0	\$31,570	\$6.9	\$41.3

average annual  
percent change

### Real Industrial Production

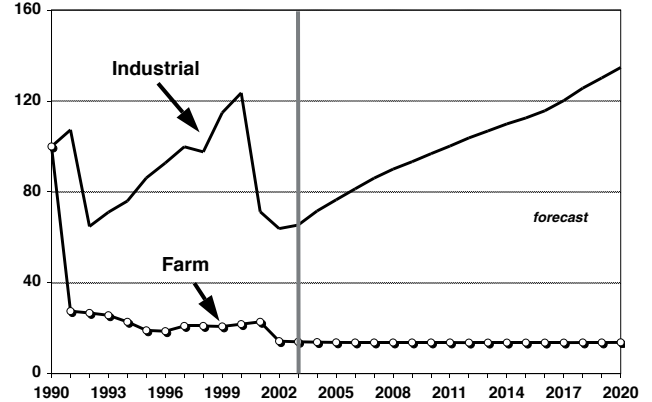
1990 - 2020



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020

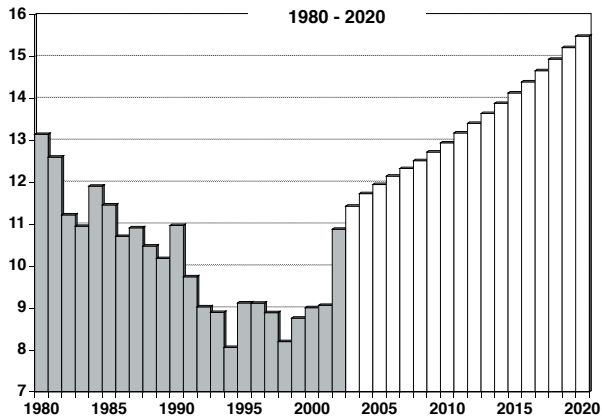


Total Wage & Salary	Farm	Mining, Construction & Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----							
983	0	274	15	137	10	91	456
1,002	0	295	16	118	10	111	453
1,013	0	312	13	125	10	86	468
956	0	297	10	117	10	83	439
999	10	299	10	146	10	83	441
1,021	0	322	10	134	10	98	447
896	0	182	10	118	10	117	460
830	0	160	10	90	10	130	430
857	5	162	10	106	10	132	433
881	5	173	10	109	10	136	437
897	5	181	11	113	10	137	441
911	5	185	13	118	10	137	443
925	5	191	14	121	10	138	446
937	5	196	15	125	10	138	448
947	5	198	16	129	10	139	451
957	5	199	17	133	10	139	454
965	5	200	18	137	10	139	456
972	5	201	19	139	10	139	458
980	5	202	20	142	10	139	461
987	5	203	21	145	10	140	464
996	5	205	22	148	10	140	466
1,004	5	207	23	150	10	140	470
1,013	5	209	24	153	10	140	473
1,022	5	211	25	155	10	141	476
1,031	5	212	26	158	10	141	479
1,039	5	214	27	160	10	141	481

millions of  
2002 dollars

### Real Taxable Retail Sales

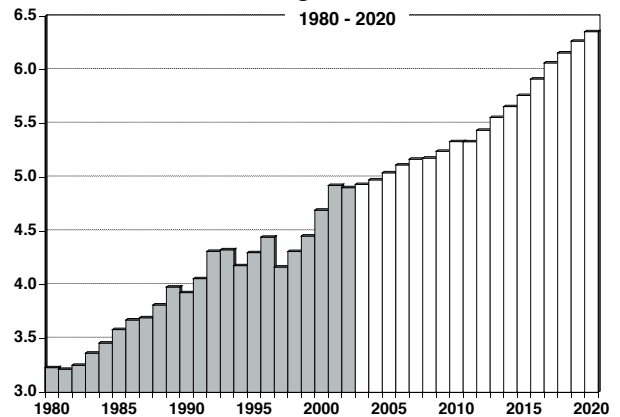
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

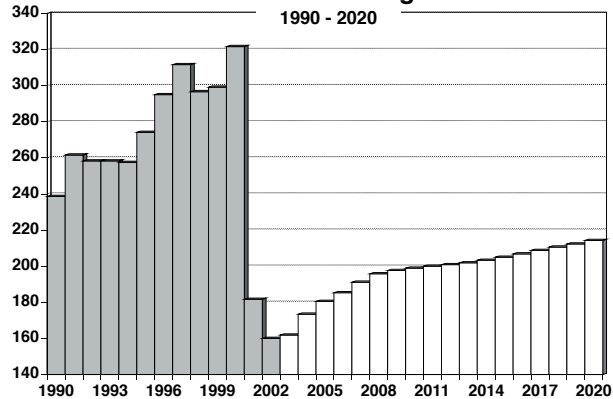
1980 - 2020



jobs

### Employment in Mining, Construction, and Manufacturing

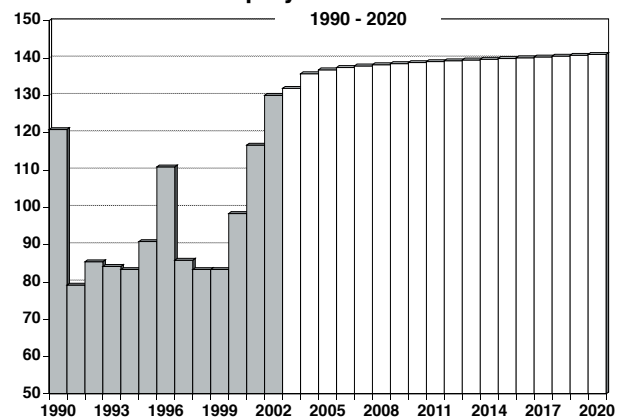
1990 - 2020



jobs

### Employment in Services

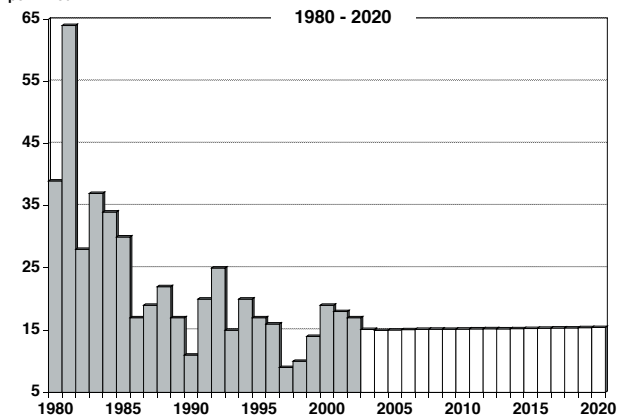
1990 - 2020



units  
permitted

### New Residential Units

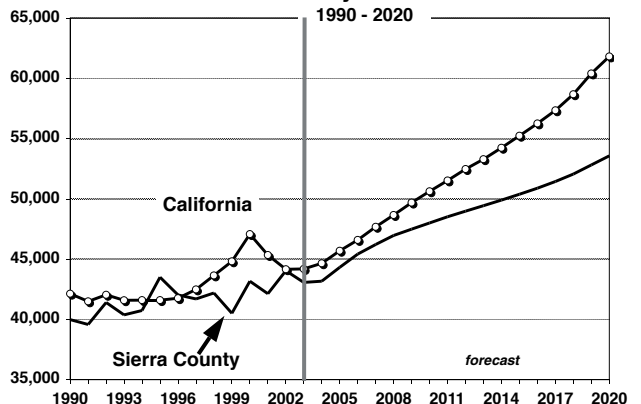
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Sierra County and California

1990 - 2020



# Siskiyou County Economic Forecast

Siskiyou is the largest county by area in northern California. More than 60 percent of Siskiyou County's land is managed by federal and state government agencies including the Forest Service, the Bureau of Land Management, the U.S. Fish and Wildlife Service, and the California Department of Fish and Game. The county's rich natural resources support recreation and tourism, which influence local employment trends.

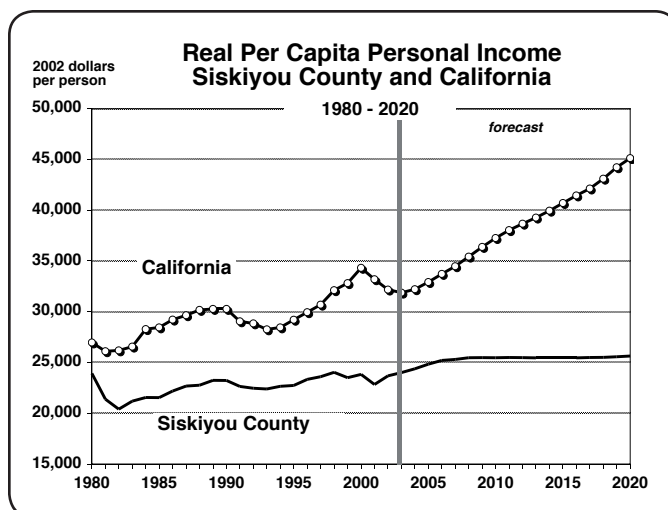
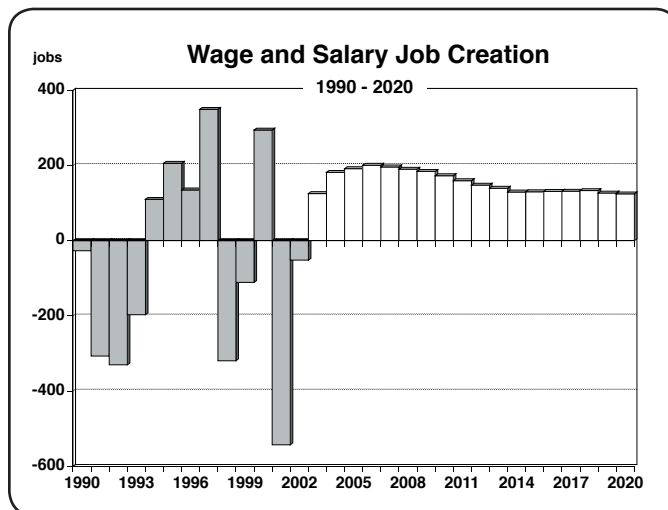
The population of Siskiyou County was estimated at 44,400 in January of 2003, virtually the same level as that of the 2000 Census. Yreka, the county seat and largest city, has a population of 7,300. Yreka provides support for professional services, medical facilities, and a full range of retail businesses, making it the trade center for the county. Population in Yreka and the county in general has actually been in decline since 1997.

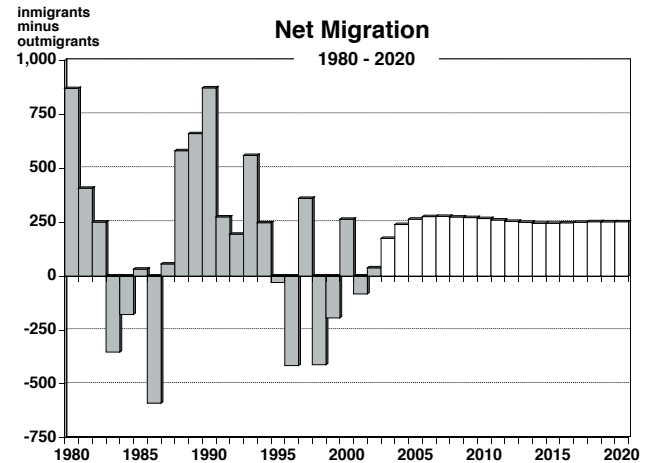
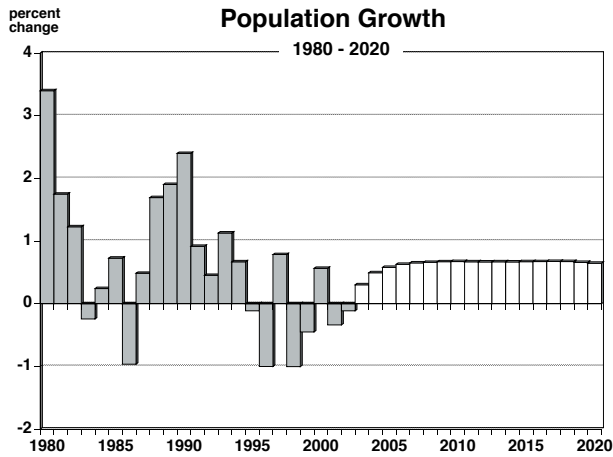
Over the last decade, environmental constraints have changed the job market in Siskiyou County. Historically, jobs were concentrated in the timber industry, but that sector has been subject to significant consolidation in recent years. Today the majority of jobs are found in government, services, retail trade, and the farm sector. In 2002, government accounted for the largest share of jobs with over 27 percent of total employment. The majority of government jobs are in the local government sector. Services contributed 23 percent of the total, and retail trade made up 24 percent of all jobs. Within retail trade, most of the jobs are associated with restaurants and food stores.

Manufacturing currently accounts for 6.3 percent of total employment. The forecast calls for a slight rebound in non-durable manufacturing because the labor force is available, housing is available and inexpensive, and wage rates are competitive. Agricultural activity includes the production of potatoes, grains, sugarbeets, onions, alfalfa, and strawberries, as well as livestock.

## Forecast Highlights

- Non-farm job growth is forecast to rise 1.2 percent per year over the next 5 years. The principal sectors of growth are services and retail trade. Services add about 400 jobs between 2003 and 2008. The retail and wholesale trade sector is forecast to create 270 new jobs during this same period. The public sector will contribute approximately 150 new jobs.
- Inflation-adjusted per capita income rises an average of 1.2 percent per year over the next 5 years. In 2002, per person average income was \$23,686. Average salaries will also increase as the services industry matures in Siskiyou County.
- Population growth turns positive over the next 5 years, averaging 0.6 percent growth per year. This compares to the negative growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and higher net migration are responsible for the higher rate of population growth projected during the decade.





## Siskiyou County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	45,000	-30	54.9	18.4	176	\$209.8	\$803.6	\$22,740	\$120.8	\$419.4
1996	44,550	-415	56.0	18.5	153	\$212.0	\$835.3	\$23,337	\$115.9	\$468.2
1997	44,900	360	52.8	18.6	138	\$216.5	\$880.8	\$23,606	\$122.8	\$515.1
1998	44,450	-411	54.6	18.7	125	\$212.5	\$916.1	\$24,034	\$118.9	\$398.5
1999	44,250	-194	55.2	18.9	154	\$226.2	\$929.7	\$23,508	\$116.6	\$509.0
2000	44,500	263	56.7	18.6	147	\$225.7	\$990.0	\$23,828	\$119.0	\$559.8
2001	44,350	-83	59.0	18.7	216	\$235.0	\$996.5	\$22,836	\$109.4	\$507.8
2002	44,300	38	60.1	18.8	194	\$254.9	\$1,049.3	\$23,686	\$105.0	\$495.2
2003	44,434	174	60.6	18.9	192	\$265.5	\$1,093.5	\$24,005	\$107.6	\$507.5
2004	44,654	239	61.1	19.1	174	\$275.0	\$1,146.9	\$24,373	\$110.6	\$523.5
2005	44,914	264	61.8	19.3	183	\$288.9	\$1,207.9	\$24,831	\$113.7	\$541.5
2006	45,197	275	62.4	19.4	181	\$305.2	\$1,267.6	\$25,205	\$116.8	\$557.1
2007	45,492	277	63.1	19.6	182	\$320.2	\$1,314.4	\$25,304	\$119.9	\$575.0
2008	45,793	274	63.9	19.7	180	\$335.4	\$1,366.6	\$25,469	\$123.0	\$583.2
2009	46,100	271	64.6	19.9	176	\$349.1	\$1,412.3	\$25,481	\$126.2	\$597.7
2010	46,411	266	65.2	20.0	172	\$362.2	\$1,461.2	\$25,475	\$129.8	\$614.8
2011	46,722	260	65.8	20.2	172	\$375.1	\$1,513.8	\$25,490	\$133.5	\$630.2
2012	47,034	254	66.4	20.3	175	\$387.7	\$1,567.6	\$25,486	\$137.3	\$644.9
2013	47,349	249	66.9	20.4	177	\$399.9	\$1,622.1	\$25,451	\$141.3	\$657.1
2014	47,666	244	67.3	20.6	178	\$411.6	\$1,678.5	\$25,457	\$145.2	\$669.1
2015	47,986	245	67.8	20.7	181	\$423.3	\$1,735.9	\$25,455	\$149.2	\$675.8
2016	48,309	247	68.2	20.8	180	\$435.6	\$1,797.2	\$25,459	\$153.4	\$681.4
2017	48,636	249	68.5	21.0	177	\$449.0	\$1,864.7	\$25,487	\$157.9	\$686.7
2018	48,964	252	68.8	21.1	171	\$462.6	\$1,932.0	\$25,510	\$162.4	\$698.6
2019	49,287	251	69.1	21.2	169	\$476.7	\$2,002.8	\$25,569	\$166.9	\$710.3
2020	49,606	252	69.3	21.4	170	\$491.5	\$2,074.9	\$25,642	\$171.3	\$725.9

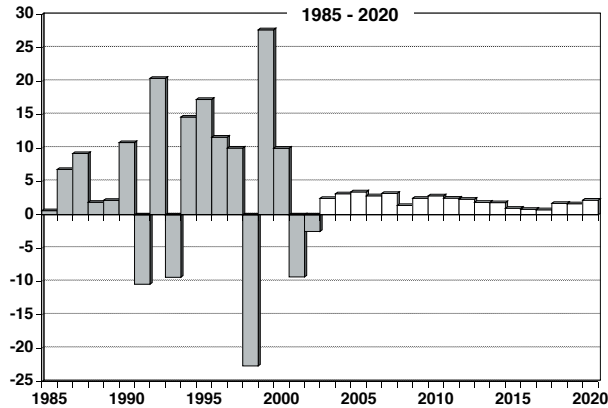
- The number of residential unit permits forecast for the 2003 to 2008 period averages 182 per year. This is slightly higher than the average 162 units built per year between 1997 and 2002 in Siskiyou.



average annual  
percent change

### Real Industrial Production

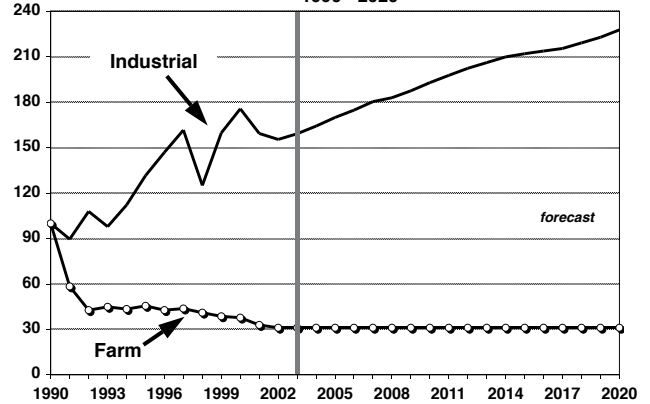
1985 - 2020



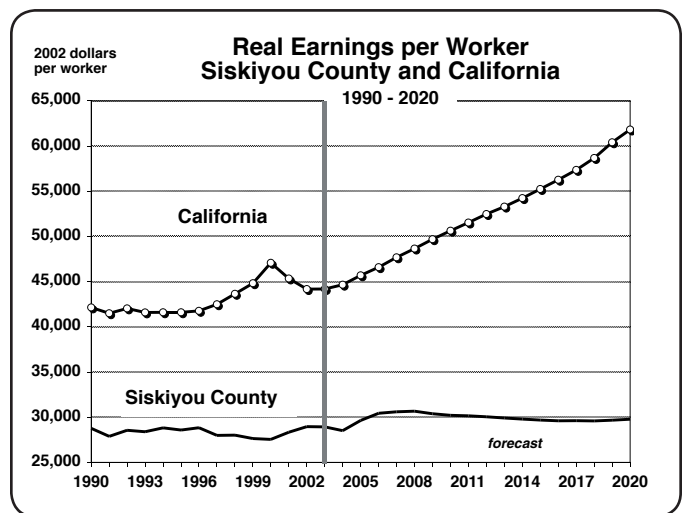
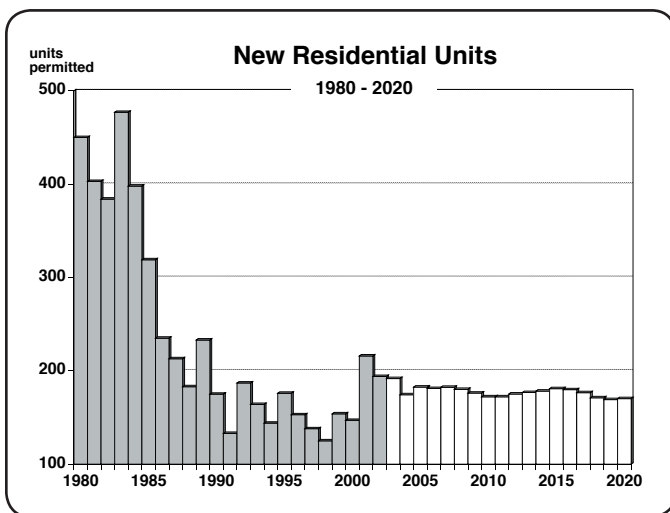
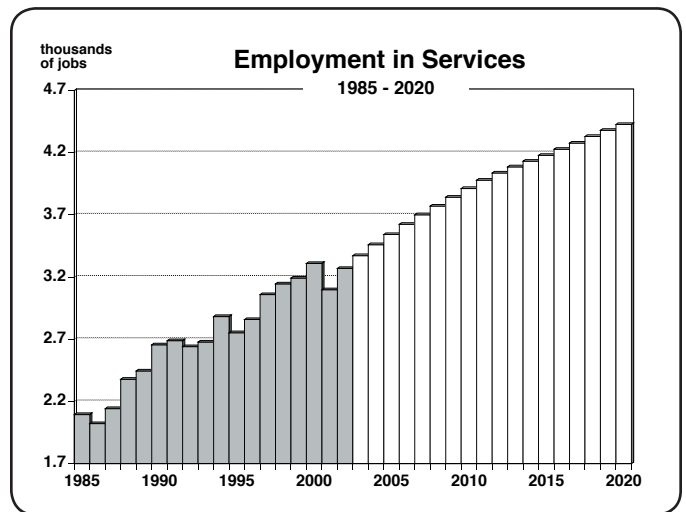
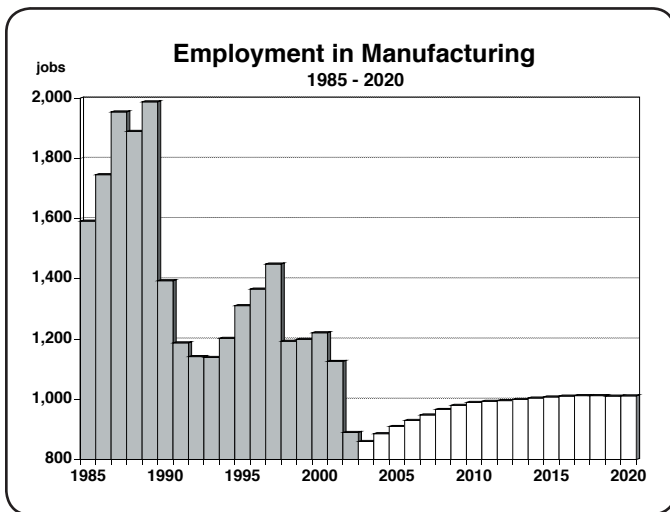
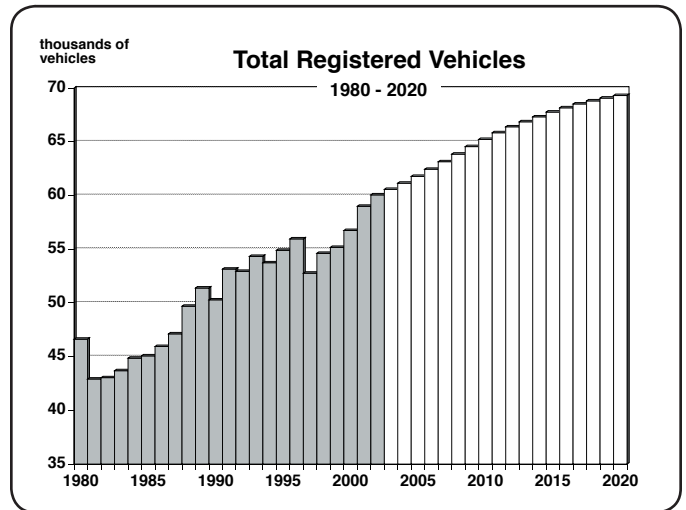
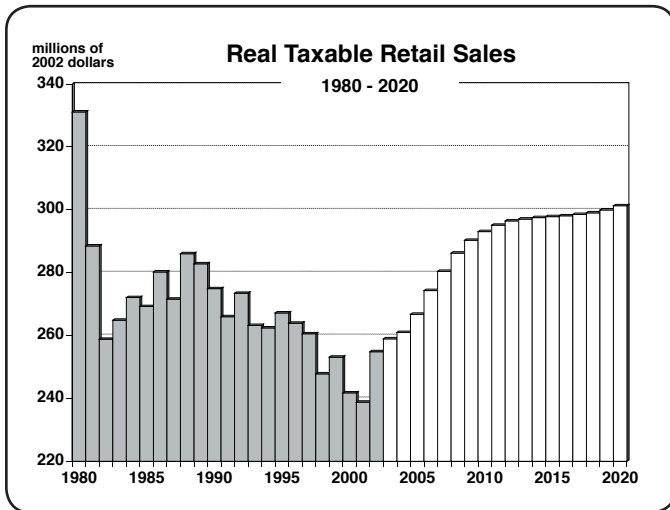
inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
14,376	1,302	760	1,311	795	3,333	462	2,753	3,661
14,511	1,176	810	1,366	767	3,353	424	2,859	3,756
14,860	1,208	880	1,449	682	3,296	489	3,060	3,797
14,541	1,213	670	1,193	620	3,388	505	3,146	3,807
14,430	1,068	670	1,199	708	3,273	499	3,193	3,820
14,724	1,082	690	1,221	698	3,341	536	3,310	3,848
14,182	850	620	1,126	708	3,357	562	3,099	3,860
14,130	790	660	890	690	3,420	530	3,270	3,880
14,255	746	687	860	683	3,465	544	3,373	3,897
14,437	727	701	886	673	3,509	557	3,461	3,922
14,629	719	708	910	666	3,560	569	3,543	3,954
14,829	716	712	930	660	3,620	583	3,624	3,986
15,026	714	714	948	655	3,678	599	3,701	4,017
15,216	714	715	966	651	3,735	615	3,771	4,049
15,400	713	715	980	649	3,787	632	3,842	4,081
15,573	713	715	990	647	3,836	650	3,913	4,111
15,733	713	714	993	645	3,881	669	3,979	4,138
15,880	713	714	996	644	3,924	688	4,037	4,165
16,020	713	714	1,000	644	3,963	706	4,087	4,193
16,150	713	713	1,004	644	4,001	723	4,132	4,220
16,280	713	713	1,008	645	4,036	738	4,179	4,248
16,411	713	713	1,011	646	4,071	753	4,227	4,277
16,542	713	712	1,012	647	4,107	768	4,277	4,306
16,676	713	712	1,012	648	4,143	783	4,331	4,335
16,803	713	711	1,011	650	4,179	798	4,380	4,361
16,927	713	710	1,011	651	4,215	812	4,427	4,387



# Solano County Economic Forecast

Solano ranks as the twentieth most populated county in the state with an estimated 412,000 in 2003. Over the last 3 years, the county has attracted an average of 3,500 net migrants per year. The growth of population has averaged 1.8 percent annually, but a higher rate of growth is forecast over the next 5 years.

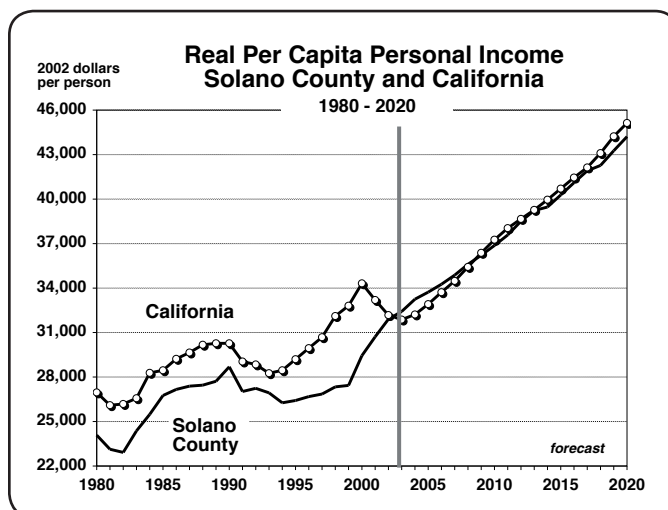
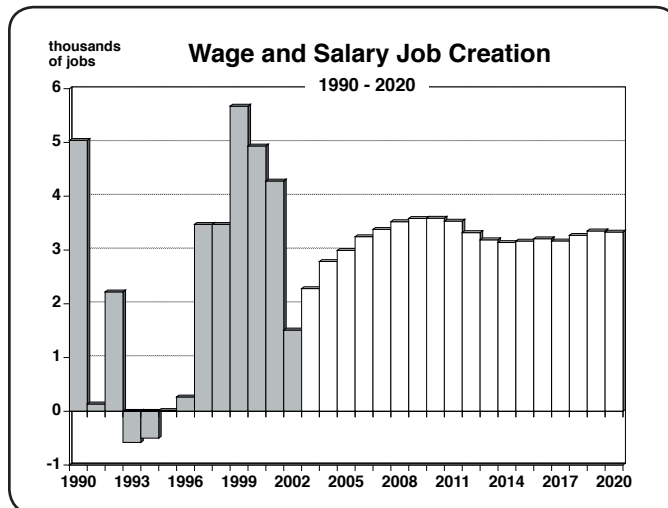
Solano County's affordable land is attracting new industries such as call centers, biotech manufacturing, food manufacturing, and small start-ups in high-tech industries. The 1998 closure of Mare Island Naval Base, located on the western edge of Vallejo, has brought a surge of new companies to the area, due in part to its attractive location, between the San Francisco Bay and Sacramento County.

The Napa-Solano labor market was the only sub-region in the Bay Area economy to create new jobs in 2002. Non-farm employment grew 1.9 percent in Solano County and 1.7 percent in Napa County. The principal sectors of new employment were retail trade, finance, and services.

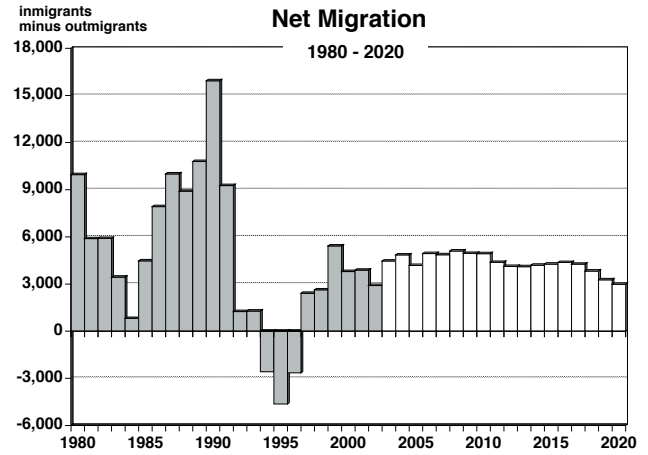
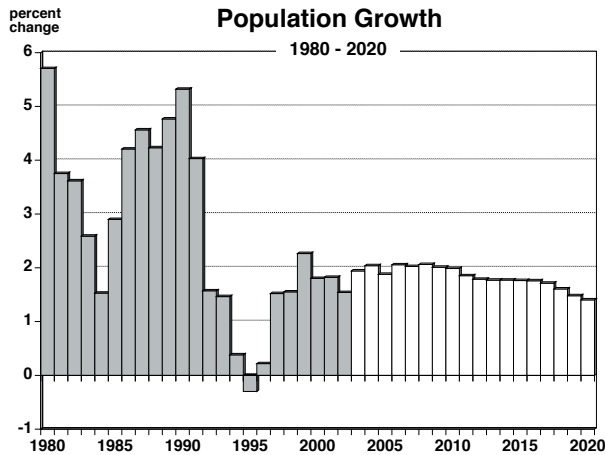
The median home selling price for existing housing was \$261,252 in 2002, making the county the most affordable in the 9-county San Francisco Bay Area. Home prices are forecast to rise between 6 and 8 percent per year over the next several years, and more housing per year is forecast to be permitted and built.

## Forecast Highlights

- Job growth is forecast to average 2.4 percent per year between 2003 and 2008, and 2.0 percent per year thereafter. The unemployment rate is expected to approach 6.0 percent in 2003 and then begin a gradual descent over the next 5 years.
- Population growth increases slightly, averaging 2 percent per year over the next 5 years. Net in-migration remains stable, and the natural increase dominates population growth. More housing is built, simply because land is cheaper and housing is more affordable—therefore, demand growth remains healthy for the foreseeable future.
- A total of 2,461 housing units were permitted in Solano County in 2002. That number increases to nearly 3,000 in 2003, and 3,150 in 2005. For all years of the forecast, the number of housing units permitted per year exceeds the number built in 2002.



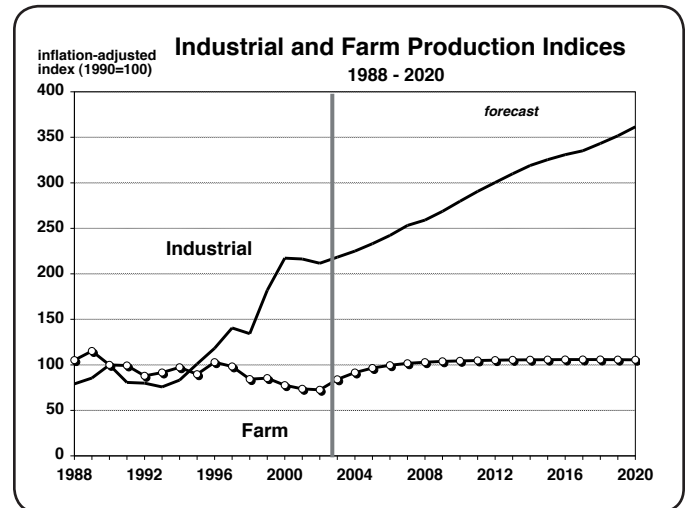
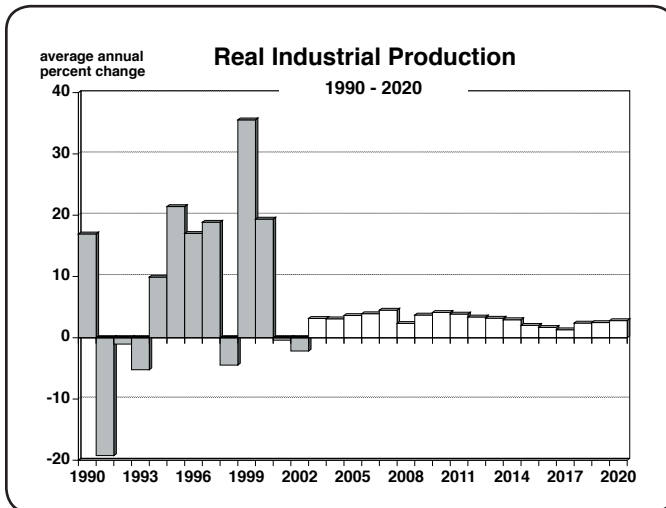
- Real per capita income in 2002 was \$31,902. The forecast calls for an average compound rate of growth of 1.6 percent per year from 2003 to 2008. Real personal income rises 3.6 percent per year over the next 5 years. Real increases in income will bring about increases in inflation adjusted retail sales, which are forecast to rise an average of 4.1 percent per year.
- With more new home construction over the forecast period, home prices in the county are not expected to rise sharply, simply because supply growth is forecast to equal demand growth. Real home prices are projected to increase an average of 4.4 percent per year over the next 5 years. During the 1997-2002 period, inflation-adjusted home prices rose an average of 9 percent per year.



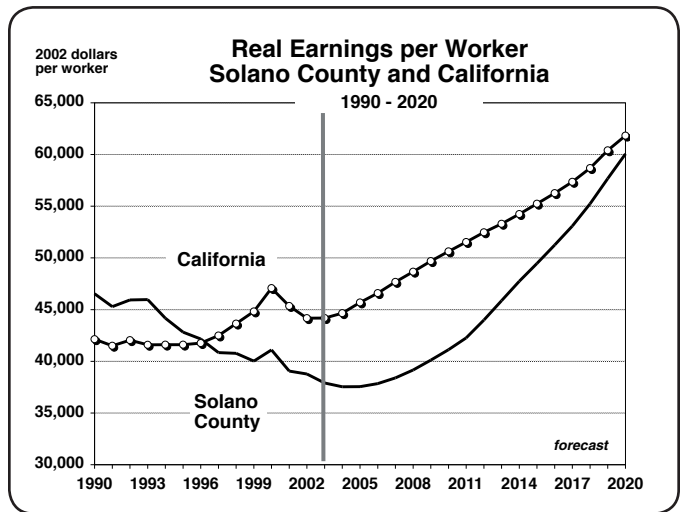
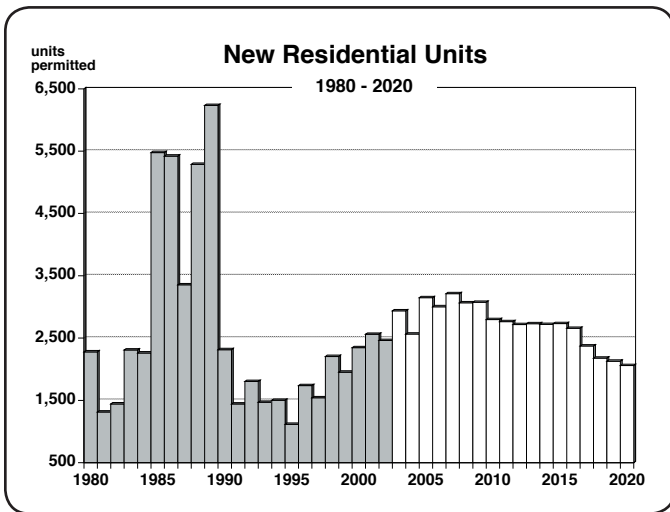
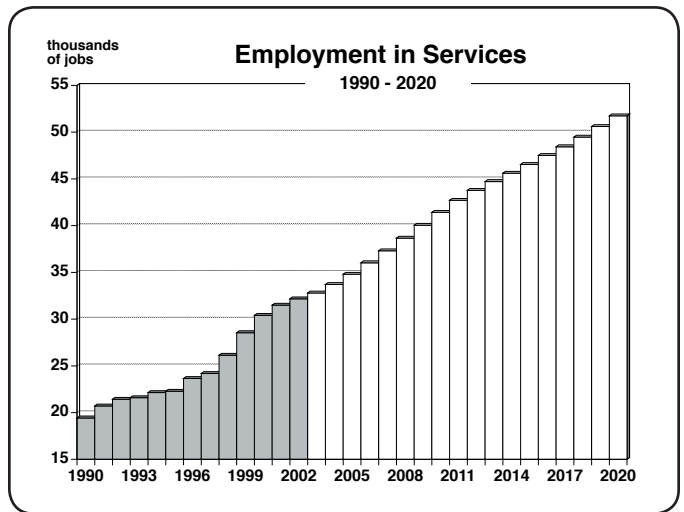
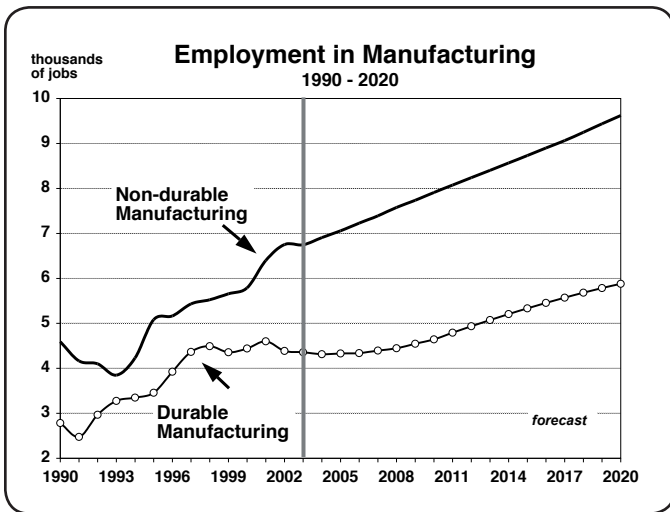
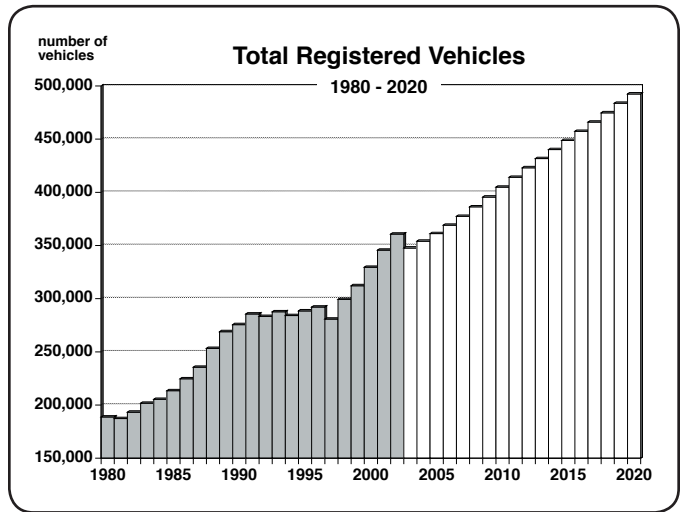
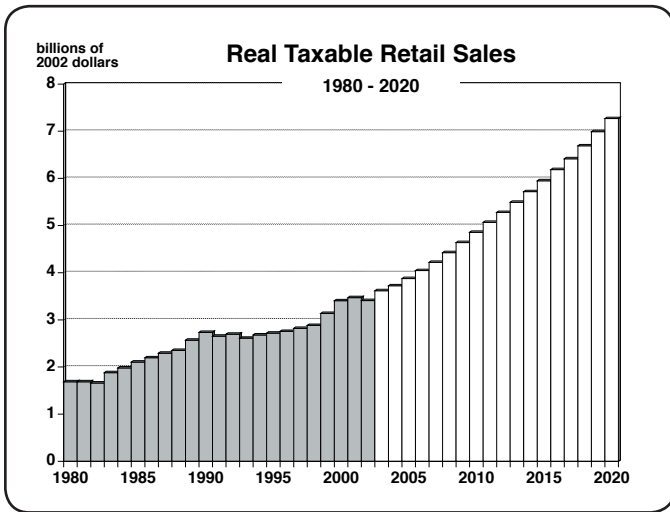
## Solano County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	367,500	-4,632	288,528	121.8	1,115	\$2.1	\$7.6	\$26,419	\$180.4	\$3.0
1996	368,300	-2,654	292,126	123.0	1,737	\$2.2	\$7.9	\$26,678	\$211.6	\$3.5
1997	373,900	2,410	280,811	124.1	1,542	\$2.3	\$8.3	\$26,854	\$209.1	\$4.2
1998	379,700	2,630	299,357	125.8	2,204	\$2.5	\$8.9	\$27,337	\$185.2	\$4.0
1999	388,300	5,423	312,215	127.1	1,953	\$2.8	\$9.5	\$27,440	\$195.5	\$5.4
2000	395,300	3,797	329,534	129.8	2,346	\$3.2	\$10.9	\$29,442	\$185.6	\$6.4
2001	402,500	3,883	345,644	131.7	2,560	\$3.4	\$12.2	\$30,713	\$185.7	\$6.4
2002	408,700	2,903	360,733	134.1	2,461	\$3.4	\$13.0	\$31,902	\$185.9	\$6.3
2003	416,633	4,465	347,634	136.4	2,937	\$3.7	\$13.8	\$32,418	\$220.7	\$6.4
2004	425,126	4,851	354,059	139.3	2,564	\$3.9	\$14.9	\$33,252	\$247.1	\$6.6
2005	433,113	4,179	361,204	141.8	3,148	\$4.2	\$15.8	\$33,728	\$267.4	\$6.9
2006	442,017	4,942	369,038	144.9	3,003	\$4.5	\$16.8	\$34,254	\$283.8	\$7.2
2007	450,964	4,862	377,418	147.9	3,212	\$4.8	\$18.0	\$34,870	\$297.2	\$7.5
2008	460,260	5,104	386,337	151.0	3,066	\$5.2	\$19.2	\$35,605	\$309.0	\$7.7
2009	469,511	4,953	395,532	154.0	3,073	\$5.6	\$20.4	\$36,208	\$319.7	\$7.9
2010	478,843	4,934	404,832	157.0	2,796	\$6.0	\$21.8	\$36,871	\$330.5	\$8.3
2011	487,713	4,378	414,161	159.7	2,763	\$6.4	\$23.3	\$37,579	\$341.3	\$8.6
2012	496,428	4,121	423,076	162.5	2,717	\$6.9	\$25.0	\$38,505	\$352.1	\$8.9
2013	505,211	4,104	431,716	165.1	2,730	\$7.4	\$26.7	\$39,225	\$363.3	\$9.2
2014	514,157	4,196	440,214	167.8	2,718	\$7.9	\$28.1	\$39,462	\$374.1	\$9.4
2015	523,224	4,268	448,746	170.5	2,732	\$8.5	\$29.9	\$40,276	\$384.9	\$9.6
2016	532,426	4,372	457,330	173.2	2,656	\$9.0	\$32.0	\$41,102	\$396.1	\$9.8
2017	541,547	4,264	465,997	175.9	2,373	\$9.7	\$34.1	\$41,911	\$407.9	\$9.9
2018	550,247	3,827	474,763	178.2	2,178	\$10.4	\$36.0	\$42,270	\$419.3	\$10.1
2019	558,395	3,270	483,734	180.4	2,128	\$11.1	\$38.4	\$43,265	\$430.3	\$10.4
2020	566,235	2,981	492,513	182.6	2,059	\$11.9	\$40.8	\$44,214	\$441.0	\$10.7



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
99.6	1.6	7.2	8.5	4.0	27.7	3.5	22.3	24.8
99.9	2.0	7.6	9.1	4.1	27.2	3.8	23.7	22.5
103.4	2.1	8.4	9.8	4.4	28.2	4.0	24.2	22.4
106.8	2.2	8.5	10.0	4.5	28.5	3.8	26.1	23.1
112.5	2.3	9.8	10.0	4.4	28.9	4.3	28.6	24.3
117.5	2.3	10.8	10.2	4.2	30.1	4.9	30.4	24.5
121.7	2.3	11.1	11.0	4.0	31.3	4.7	31.5	25.8
123.2	1.6	10.8	11.1	4.0	32.5	4.9	32.2	26.1
125.5	1.7	11.1	11.1	4.1	33.3	5.0	32.8	26.4
128.3	1.8	11.3	11.2	4.1	34.1	5.1	33.7	26.9
131.3	1.9	11.4	11.4	4.2	34.9	5.3	34.8	27.5
134.6	1.9	11.6	11.6	4.2	35.7	5.4	36.0	28.2
137.9	1.9	11.7	11.8	4.3	36.5	5.5	37.3	28.9
141.5	1.9	11.9	12.0	4.3	37.3	5.7	38.7	29.6
145.1	2.0	12.0	12.3	4.4	38.2	5.8	40.0	30.3
148.6	2.0	12.2	12.6	4.5	39.0	6.0	41.4	31.1
152.2	2.0	12.3	12.9	4.6	39.9	6.2	42.7	31.8
155.5	2.0	12.4	13.2	4.6	40.8	6.3	43.8	32.5
158.7	2.0	12.5	13.5	4.7	41.6	6.5	44.7	33.2
161.8	2.0	12.6	13.8	4.8	42.5	6.7	45.6	33.9
165.0	2.0	12.7	14.1	4.9	43.4	6.8	46.5	34.6
168.2	2.0	12.8	14.4	4.9	44.3	7.0	47.5	35.4
171.4	2.0	12.8	14.6	5.0	45.2	7.2	48.4	36.1
174.6	2.0	12.9	14.9	5.1	46.2	7.3	49.5	36.8
178.0	2.0	12.9	15.2	5.2	47.1	7.5	50.6	37.5
181.3	2.0	12.9	15.5	5.2	48.0	7.7	51.7	38.2



# Sonoma County Economic Forecast

Sonoma County is a member of the nine-county San Francisco Bay Area region, contributing 7 percent of the population and 6 percent of total wage and salary employment. Sonoma County is known for its wine grape region and world-class wines. Consequently, it is a principal tourist destination in California, together with adjacent Napa County.

The county's population in January 2003 was 472,700. The largest city is Santa Rosa with 154,500 residents. Santa Rosa has been experiencing relatively healthy population growth over the last 5 years, averaging 2.2 percent per year. Smaller cities in the county, including Windsor and Cloverdale, are growing more rapidly.

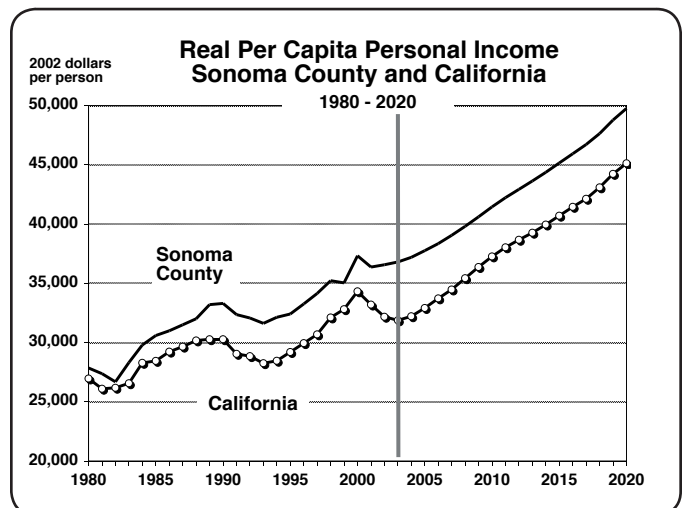
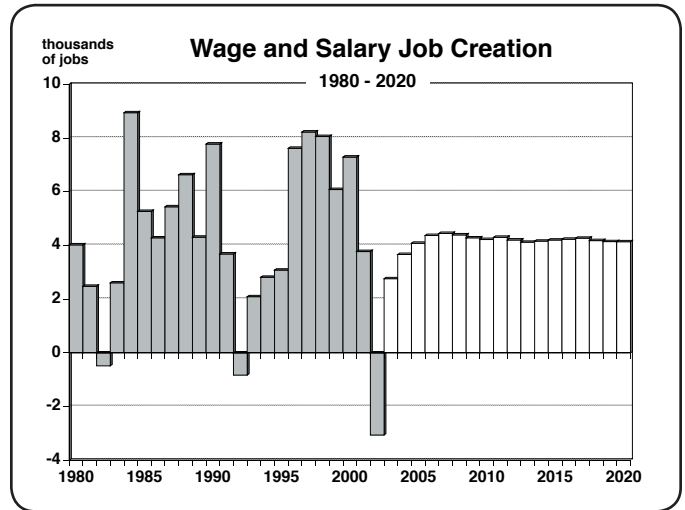
The principal employment sectors are wholesale and retail trade, healthcare services, local education, construction, scientific instruments manufacturing, and food manufacturing. Basic professional and personal services provide most of the jobs in the county.

In 2002, non-farm employment declined 1.1 percent, a negligible loss compared to San Francisco and Santa Clara Counties where substantial reductions in jobs were recorded. There are currently 187,700 jobs in the non-farm sector and 6,000 jobs in the farm sector.

Net migration into the county averages about 2,000 persons per year. Residential building declined from just over 2,500 units in 2001 to 1,835 homes in 2002. Over the next several years, residential building is forecast to accelerate, as more jobs are created in Sonoma County.

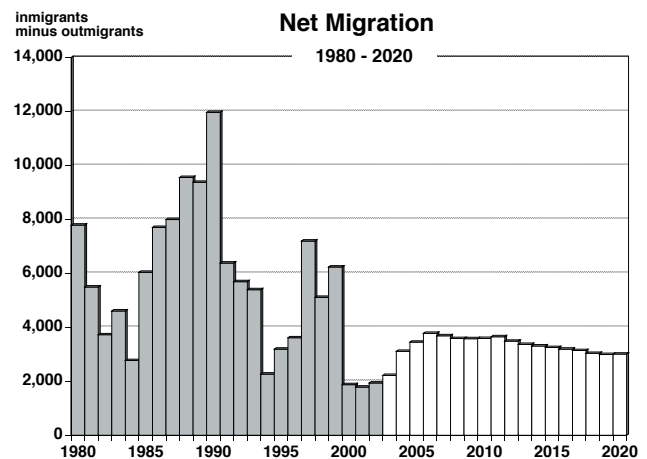
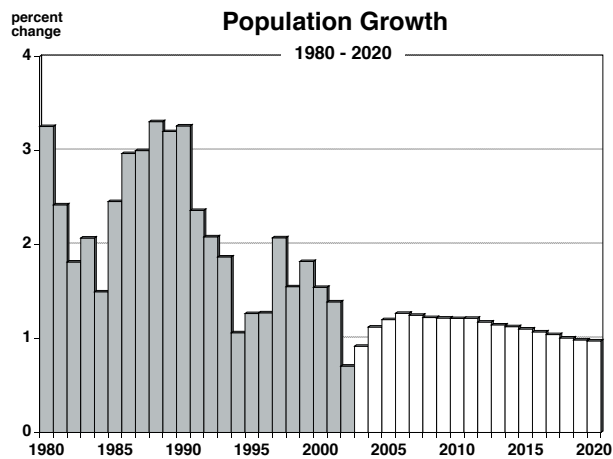
## Forecast Highlights

- Because of the relative affordability of housing in Sonoma County, and the ability to get housing entitled, more units will be built and more jobs will be accommodated. Non-farm job growth is forecast to average 2.1 percent per year from 2003 to 2008. Farm employment also increases 2.0 percent per year over the same time frame. Between 2010 and 2020, employment growth averages 1.7 percent per year.
- Both durable and non-durable manufacturing employment will create only a moderate number of jobs in the county over the next several years. Beverage bottling capacity will continue to expand through the decade, and that will provide some opportunity for employment. But no major increase in the workforce will be needed, in view of the advent of labor-replacing



machinery. The durable manufacturing sector will continue to face stiff competition in production and assembly, from Asian countries.

- The services sector is expected to remain the dominant employment sector, contributing 30 percent of all wage and salary jobs in 2003. Employment in services is expected to grow at a 3.1 percent annual compound rate of growth over the next 5 years.
- Real per capita income is the ratio of total personal income to population, adjusted for inflation. Real per capita personal income is forecast to rise just 1.6 percent over the next 5 years. Total personal income will grow 2.8 percent per year from 2003 to 2008.



## Sonoma County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	424,300	3,192	398	160.6	1,927	\$3.0	\$10.8	\$32,405	\$343	\$2.9
1996	429,700	3,613	404	162.2	1,464	\$3.2	\$11.5	\$33,265	\$390	\$3.1
1997	438,600	7,198	390	163.8	2,121	\$3.4	\$12.4	\$34,144	\$507	\$3.5
1998	445,400	5,111	417	165.3	2,964	\$3.6	\$13.5	\$35,221	\$454	\$3.8
1999	453,500	6,236	431	167.2	3,052	\$4.1	\$14.2	\$35,037	\$483	\$4.4
2000	460,500	1,877	454	171.6	2,555	\$4.6	\$16.1	\$37,321	\$591	\$4.7
2001	466,900	1,787	468	174.2	2,568	\$4.7	\$16.7	\$36,366	\$584	\$4.7
2002	470,200	1,936	479	175.9	1,835	\$4.7	\$17.2	\$36,562	\$611	\$4.3
2003	474,513	2,219	482	177.6	2,401	\$4.9	\$17.9	\$36,802	\$615	\$4.4
2004	479,837	3,111	487	179.8	2,602	\$5.1	\$18.8	\$37,188	\$627	\$4.5
2005	485,600	3,451	493	182.2	2,816	\$5.4	\$19.9	\$37,757	\$644	\$4.6
2006	491,756	3,779	500	184.9	2,729	\$5.7	\$21.0	\$38,349	\$666	\$4.8
2007	497,887	3,686	509	187.4	2,658	\$5.9	\$22.2	\$39,045	\$690	\$4.9
2008	503,976	3,586	517	189.9	2,669	\$6.2	\$23.5	\$39,805	\$718	\$5.0
2009	510,111	3,578	525	192.4	2,687	\$6.5	\$24.9	\$40,611	\$750	\$5.2
2010	516,298	3,590	533	194.9	2,720	\$6.8	\$26.4	\$41,450	\$785	\$5.3
2011	522,572	3,651	541	197.5	2,604	\$7.2	\$28.1	\$42,233	\$824	\$5.5
2012	528,709	3,487	549	199.9	2,521	\$7.5	\$29.7	\$42,930	\$867	\$5.7
2013	534,759	3,367	557	202.3	2,465	\$7.9	\$31.4	\$43,640	\$913	\$5.8
2014	540,779	3,310	564	204.6	2,410	\$8.3	\$33.2	\$44,361	\$960	\$6.0
2015	546,733	3,253	572	206.8	2,353	\$8.7	\$35.1	\$45,153	\$1,010	\$6.2
2016	552,585	3,191	580	209.0	2,302	\$9.1	\$37.1	\$45,938	\$1,064	\$6.3
2017	558,341	3,140	588	211.2	2,233	\$9.6	\$39.2	\$46,714	\$1,122	\$6.5
2018	563,956	3,037	596	213.3	2,203	\$10.1	\$41.6	\$47,641	\$1,183	\$6.7
2019	569,504	2,994	604	215.3	2,213	\$10.6	\$44.2	\$48,780	\$1,245	\$6.9
2020	575,051	3,009	611	217.4	2,173	\$11.1	\$46.7	\$49,764	\$1,310	\$7.1

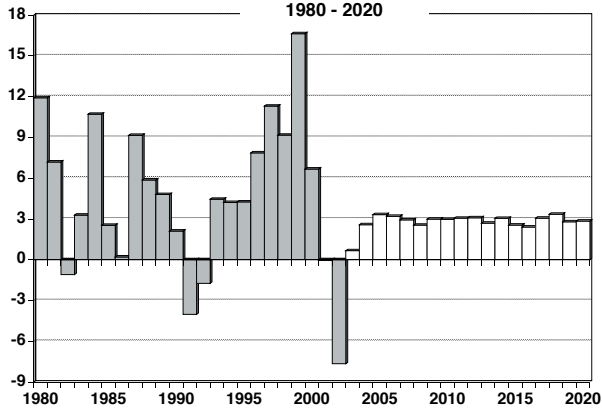
- Median home selling prices are forecast to rise 2.7 percent per year, adjusted for inflation. Housing is still relatively affordable in the county (at \$350,000), compared to other San Francisco Bay Area counties, and less production of new housing will put downward pressure on home prices.
- The population grows at a 1.2 percent rate over the next 5 years. The dominant component of growth is migration, rather than the natural increase. Net migration will average more than 3,000 people per year.



average annual  
percent change

### Real Industrial Production

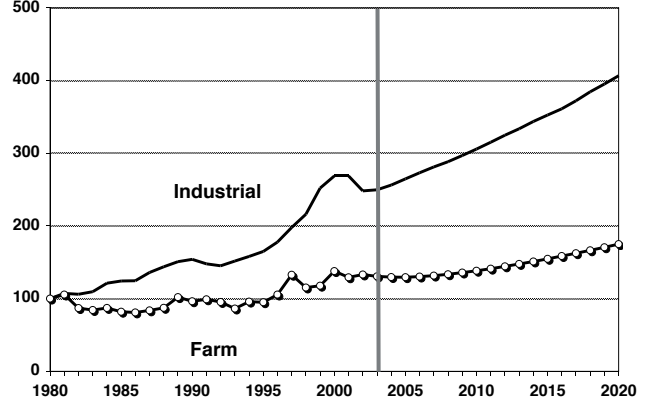
1980 - 2020



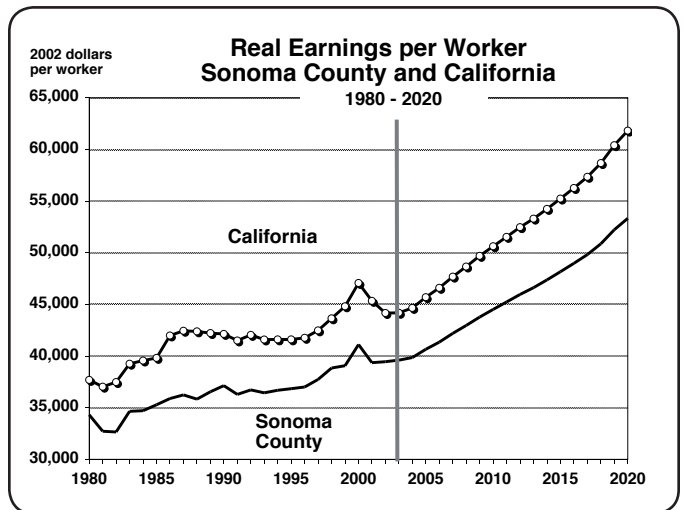
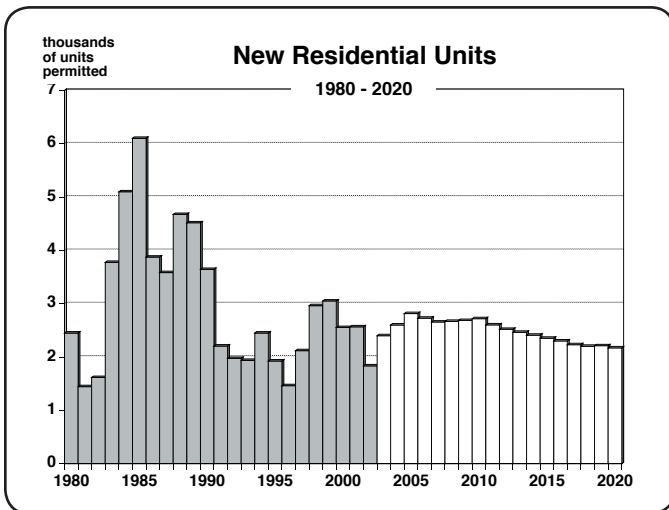
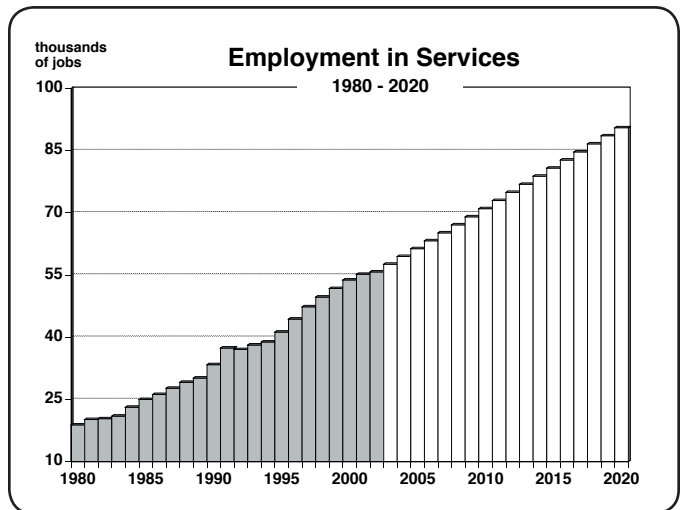
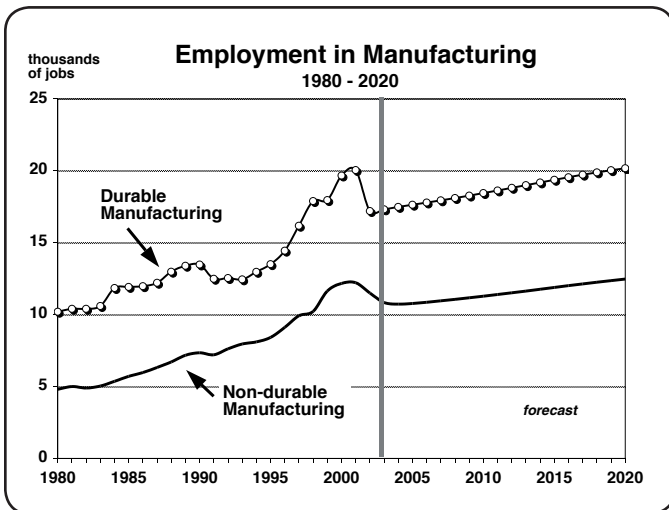
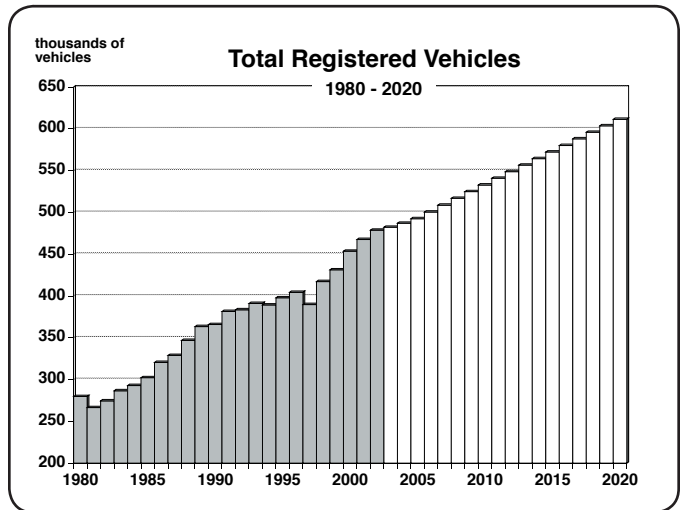
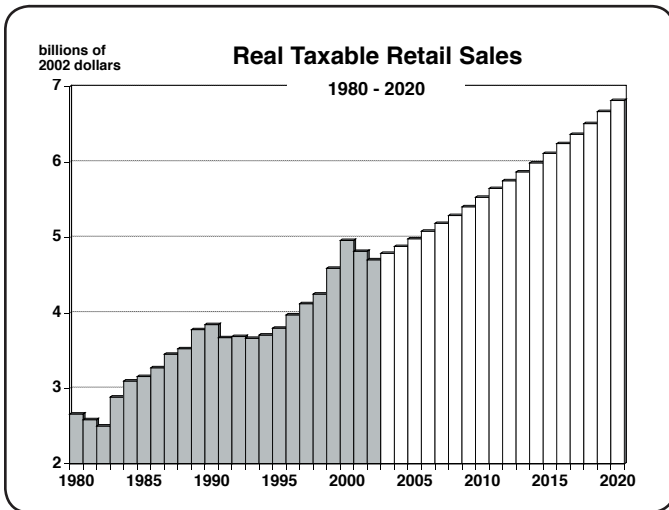
inflation-adjusted  
index (1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
156	5.5	7.5	0.5	21.9	5.7	38.6	9.8	41.3	25.1
163	5.8	8.3	0.5	23.6	5.9	40.4	9.5	44.4	25.0
172	6.2	9.3	0.5	26.1	6.1	41.3	9.6	47.4	25.2
180	6.5	10.2	0.4	28.1	6.4	42.6	9.9	49.7	25.6
186	6.4	12.1	0.4	29.6	6.2	42.3	10.3	51.8	26.6
193	6.9	13.1	0.4	31.8	6.3	42.7	10.4	53.8	27.6
197	7.0	13.4	0.3	32.3	6.4	43.5	10.7	55.2	28.0
194	6.0	13.1	0.3	28.7	6.3	44.3	10.7	55.8	28.5
197	6.1	13.0	0.3	28.2	6.4	45.1	11.0	57.6	28.8
200	6.2	13.1	0.3	28.2	6.4	45.9	11.3	59.5	29.2
204	6.3	13.4	0.2	28.4	6.5	46.6	11.7	61.4	29.6
209	6.5	13.9	0.2	28.7	6.6	47.3	12.1	63.3	30.1
213	6.6	14.4	0.2	28.9	6.7	48.1	12.5	65.2	30.5
217	6.7	14.8	0.2	29.2	6.7	48.8	12.9	67.1	31.0
222	6.9	15.1	0.2	29.4	6.8	49.5	13.2	69.1	31.5
226	7.0	15.3	0.2	29.7	6.8	50.2	13.6	71.0	31.9
230	7.1	15.5	0.2	30.0	6.9	51.0	14.0	73.0	32.4
234	7.3	15.7	0.2	30.3	7.0	51.7	14.4	75.0	32.9
239	7.4	15.8	0.2	30.6	7.0	52.4	14.8	76.9	33.4
243	7.6	15.9	0.2	31.0	7.1	53.0	15.2	78.9	33.9
247	7.7	16.1	0.2	31.3	7.2	53.7	15.6	80.8	34.4
251	7.9	16.3	0.2	31.6	7.2	54.4	16.0	82.8	34.9
255	8.0	16.5	0.2	31.9	7.3	55.1	16.4	84.7	35.4
260	8.2	16.7	0.2	32.2	7.3	55.8	16.8	86.7	35.9
264	8.3	16.8	0.2	32.4	7.4	56.5	17.2	88.6	36.4
268	8.5	17.0	0.2	32.7	7.5	57.2	17.6	90.5	36.9



# Stanislaus County Economic Forecast

Located immediately east of Santa Clara County, Stanislaus County has evolved from an agricultural community to a bedroom community for South and East Bay workers. It is now growing much of its own industry and is poised for significant growth over the decade.

The largest city is Modesto with a population of 203,300. However, between 1990 and the 2000 Census, the population of Turlock increased 32 percent. The fastest growing city today is Patterson, followed by Waterford. By the year 2008, the county's population is projected to rise 14.6 percent to 552,000 residents.

## Population • January 2003

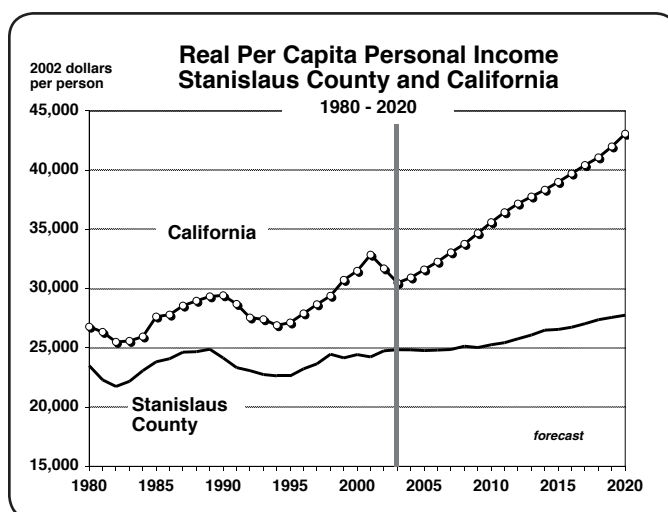
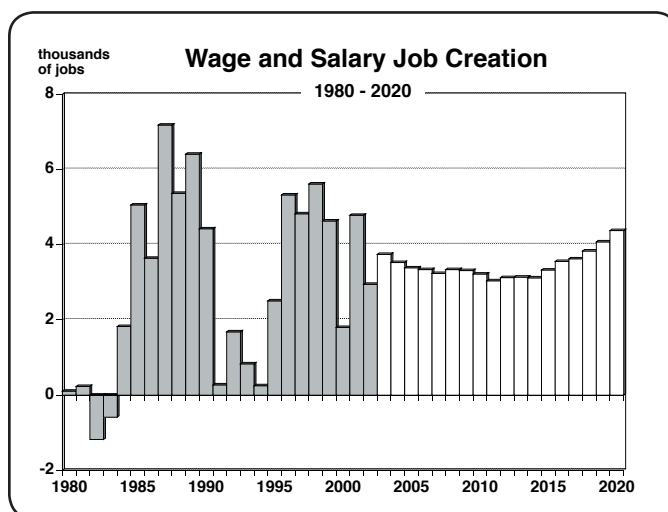
City	Population	2002-2003 % change
Modesto	203,300	2.3
Turlock	61,300	3.2
Ceres	36,400	2.0
Riverbank	17,250	1.5
Oakdale	16,750	3.1
<b>Total County</b>	<b>481,600</b>	<b>2.8</b>

The annual average unemployment rate was 11 percent in 2002. That is a decline from the much higher rates observed in the middle 1990s, but still higher than the state's rate of 6.5 percent. Traditionally, agriculturally oriented counties like Stanislaus have greater seasonal variations in employment, resulting in higher unemployment rates.

Non-farm industry employment projections for the forecast period 2003–2008 indicate that services, government, and retail trade will dominate Stanislaus County's future economy. Between 2003 and 2008, these three industries will contribute over 90 percent of the total growth in employment, and represent 67 percent of total employment.

Due to its food processing and other related industries, Stanislaus County generates substantial economic activity in processing, packing, marketing, and retailing. Advanced technology plays a major role in agribusiness, transforming the region and positioning Stanislaus County as a global center for agriculture and agribusiness. Labor market conditions in Stanislaus have improved over the last five years as evidenced by growth in civilian labor force and total employment, and declining unemployment rates.

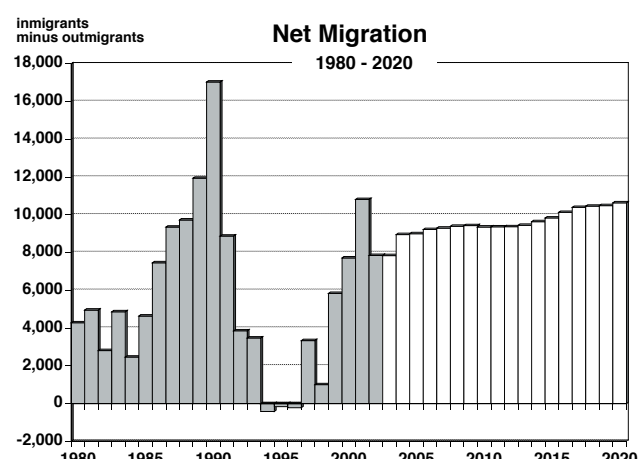
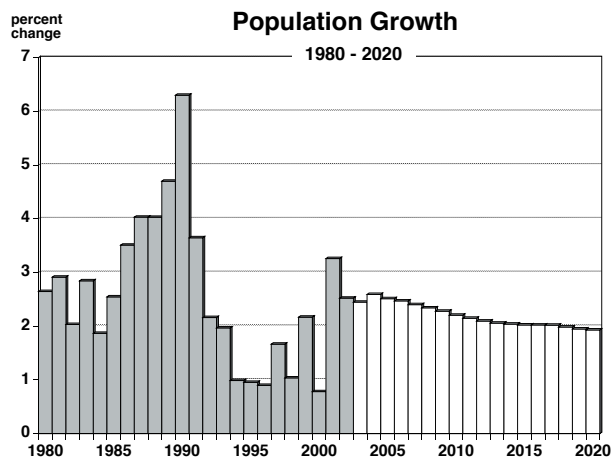
Although Stanislaus County is best known for its agriculture production, the local economy is becoming



increasingly more diversified due to the migration of San Francisco Bay Area workers seeking affordable housing. The median home selling price of a home in the county during 2002 was \$176,400. For all of California, the median selling price in 2002 was \$318,105.

## Forecast Highlights

- Non-farm employment averages 2.3 percent growth per year between 2003 and 2008. Between 1997 and 2002, employment in the non-farm sector averaged 3.0 percent growth per year. Farm employment is forecast to decline 1.2 percent per year over the next five years.



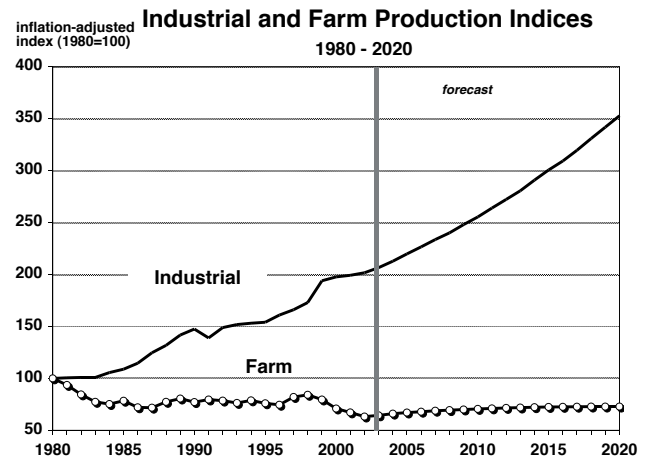
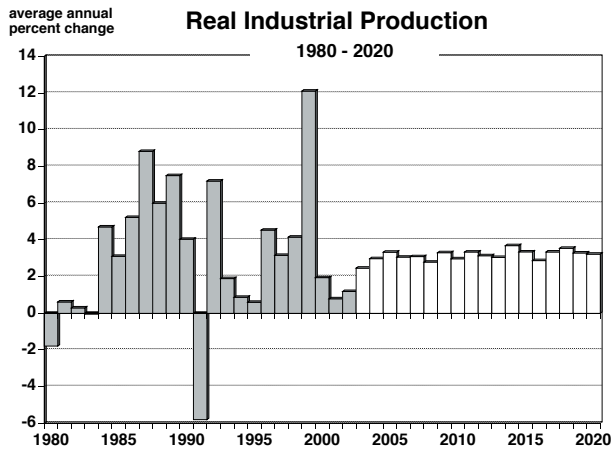
## Stanislaus County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	422,500	-154	332	135.6	1,347	\$2.5	\$7.5	\$22,639	\$1,120	\$2.9
1996	426,300	-212	338	137.2	1,428	\$2.6	\$8.0	\$23,236	\$1,125	\$3.0
1997	433,400	3,342	340	138.5	1,472	\$2.7	\$8.5	\$23,650	\$1,280	\$3.1
1998	437,900	1,009	323	139.7	2,090	\$2.9	\$9.2	\$24,460	\$1,356	\$3.2
1999	447,400	5,841	343	140.9	2,310	\$3.2	\$9.7	\$24,150	\$1,336	\$3.6
2000	450,900	7,725	357	142.4	3,413	\$3.6	\$10.3	\$24,437	\$1,244	\$3.7
2001	465,600	10,817	372	144.7	3,194	\$3.9	\$11.1	\$24,233	\$1,241	\$3.7
2002	477,347	7,850	376	147.2	3,170	\$4.2	\$11.8	\$24,749	\$1,188	\$3.7
2003	489,034	7,846	379	150.4	3,354	\$4.4	\$12.5	\$24,838	\$1,240	\$3.8
2004	501,710	8,959	383	153.5	3,745	\$4.7	\$13.1	\$24,834	\$1,308	\$4.0
2005	514,317	9,006	387	156.3	4,013	\$5.0	\$13.8	\$24,768	\$1,365	\$4.1
2006	527,026	9,227	392	159.1	4,071	\$5.3	\$14.6	\$24,810	\$1,420	\$4.2
2007	539,688	9,301	396	162.0	4,165	\$5.6	\$15.3	\$24,862	\$1,476	\$4.3
2008	552,329	9,397	401	165.0	4,182	\$5.9	\$16.3	\$25,135	\$1,527	\$4.5
2009	564,921	9,434	406	168.1	4,163	\$6.2	\$17.0	\$25,025	\$1,582	\$4.6
2010	577,373	9,358	411	171.1	4,135	\$6.6	\$18.0	\$25,260	\$1,639	\$4.7
2011	589,776	9,368	416	174.2	4,143	\$6.9	\$19.1	\$25,438	\$1,697	\$4.9
2012	602,136	9,376	422	177.3	4,212	\$7.4	\$20.3	\$25,770	\$1,756	\$5.1
2013	614,527	9,450	427	180.3	4,291	\$7.8	\$21.6	\$26,085	\$1,817	\$5.2
2014	627,065	9,642	432	183.4	4,364	\$8.2	\$23.0	\$26,491	\$1,876	\$5.4
2015	639,758	9,840	437	186.6	4,480	\$8.7	\$24.1	\$26,560	\$1,933	\$5.6
2016	652,701	10,136	443	189.8	4,538	\$9.2	\$25.5	\$26,740	\$1,993	\$5.7
2017	665,876	10,400	449	193.1	4,530	\$9.9	\$27.1	\$27,034	\$2,055	\$5.9
2018	679,091	10,463	456	196.5	4,514	\$10.4	\$28.8	\$27,374	\$2,115	\$6.1
2019	692,323	10,493	463	199.9	4,532	\$11.0	\$30.3	\$27,568	\$2,172	\$6.3
2020	705,696	10,642	471	203.2	4,609	\$11.5	\$32.0	\$27,756	\$2,229	\$6.6

- The unemployment rates rises over the forecast period to a maximum of 12.5 percent, a lower level than that observed during the 1990s. Unemployment rates in the 10 to 11 percent range that characterized the Stanislaus

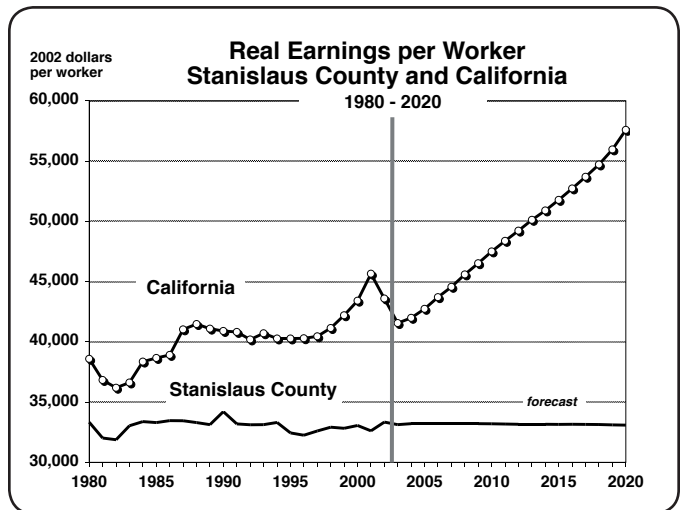
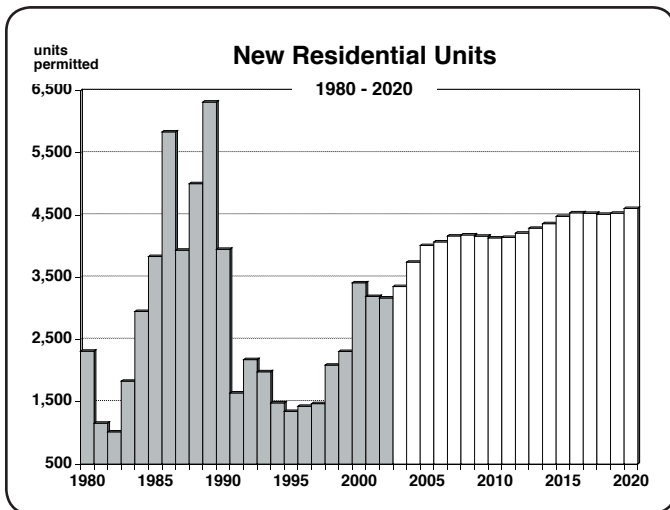
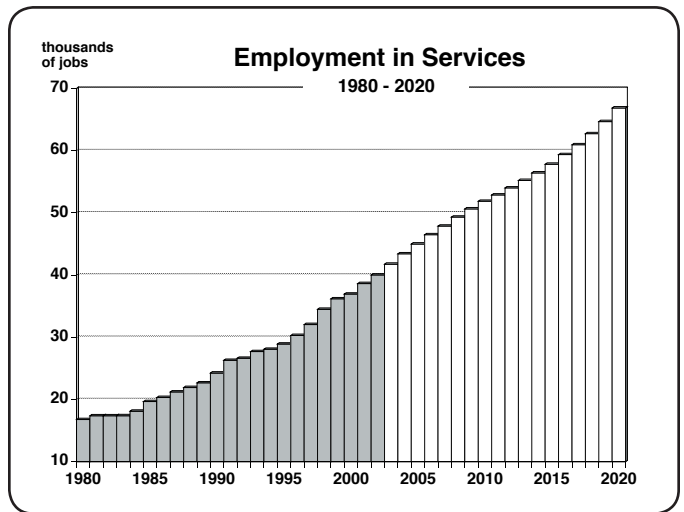
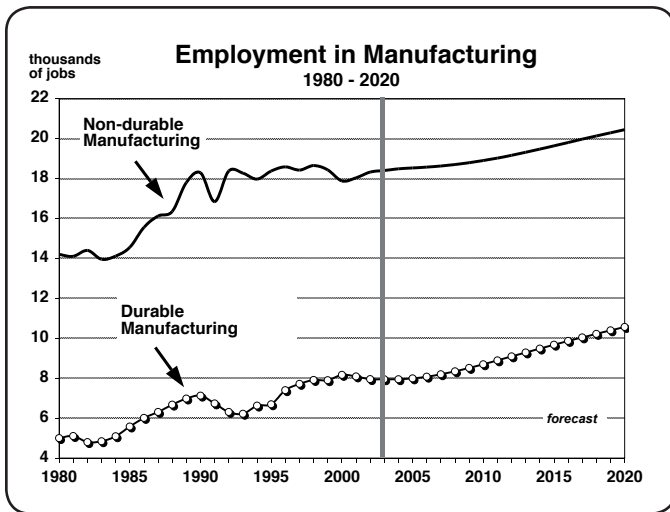
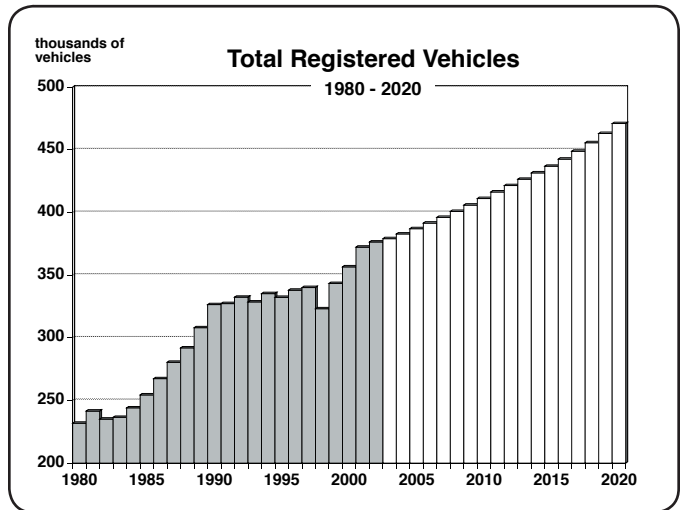
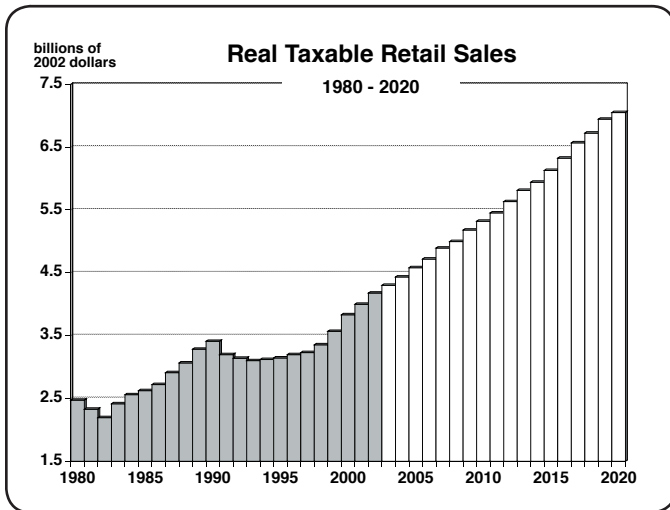
County labor markets between 1999 and 2002 are not sustainable. Unemployment is still structurally lower during the forecast period, due to a shrinking farm sector as a percent of the entire labor market.



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
					employment (jobs)				
137.7	13.7	6.0	0.000	25.1	5.2	31.6	4.5	28.9	22.6
143.0	15.2	6.2	0.000	26.0	5.4	32.3	4.4	30.3	23.2
147.8	16.1	6.8	0.000	26.1	5.4	33.5	4.5	32.1	23.4
153.4	16.2	8.0	0.000	26.6	5.3	34.7	4.5	34.5	23.7
158.1	16.4	9.2	0.000	26.3	5.5	36.2	4.6	36.2	23.7
159.9	15.7	9.8	0.000	26.0	5.6	37.1	4.8	37.0	23.9
164.6	15.1	11.1	0.000	26.1	5.9	38.5	4.9	38.7	24.4
167.6	15.3	10.3	0.000	26.3	5.8	39.8	5.1	40.0	25.1
171.3	14.9	10.1	0.017	26.3	5.8	41.5	5.1	41.8	25.7
174.9	14.6	9.9	0.022	26.4	5.9	43.1	5.2	43.4	26.3
178.2	14.4	9.7	0.023	26.5	6.0	44.4	5.3	45.0	26.8
181.6	14.2	9.6	0.024	26.6	6.1	45.7	5.4	46.5	27.4
184.8	14.1	9.5	0.024	26.8	6.2	46.8	5.6	47.9	27.9
188.2	14.0	9.4	0.025	27.0	6.3	47.8	5.7	49.3	28.5
191.5	14.0	9.3	0.025	27.3	6.4	48.8	5.9	50.7	29.1
194.7	13.9	9.2	0.024	27.6	6.5	49.7	6.0	51.9	29.7
197.7	13.9	9.3	0.024	27.9	6.6	50.6	6.2	52.9	30.3
200.9	13.9	9.3	0.023	28.3	6.7	51.4	6.4	54.0	30.9
204.0	13.9	9.3	0.023	28.6	6.8	52.1	6.6	55.2	31.5
207.1	13.9	9.4	0.022	29.0	6.9	52.8	6.7	56.4	32.0
210.5	13.9	9.4	0.022	29.3	6.9	53.5	6.9	57.8	32.6
214.0	13.9	9.5	0.021	29.7	7.0	54.2	7.0	59.4	33.3
217.6	13.9	9.6	0.020	30.0	7.1	54.9	7.1	61.0	33.9
221.5	13.9	9.7	0.019	30.4	7.2	55.7	7.3	62.7	34.6
225.5	13.9	9.8	0.018	30.7	7.3	56.5	7.4	64.7	35.2
229.9	13.8	9.9	0.017	31.0	7.4	57.4	7.6	66.9	35.9

- Net migration accounts for most of the population gain in the county over the foreseeable future. An average of between 7,500 and 10,000 new immigrants per year will re-locate in Stanislaus County during the decade.

- More residential units will be demanded and built in the county over the decade. Between 3,000 and 4,000 units per year will be authorized. Home prices will not rise at the same rate of appreciation that was observed during the 1999 to 2002 period. More housing supply will help to stabilize prices by 2005.



# Sutter County Economic Forecast

Sutter County is one of the major agricultural counties located in north-central California. Sutter County, together with neighboring Yuba County, constitute what is known as the Yuba City Metropolitan Statistical Area.

The population of Sutter County was 83,200 in 2003, and is projected to reach 95,100 residents by the year 2010, an increase of 14 percent.

Due in part to seasonal variations in employment, agriculturally oriented counties like Sutter usually report higher unemployment rates. Sutter's 2002 annual average unemployment rate (13.4 percent) was high compared to the state's rate of 6.6 percent, but has dropped to its present level from a high of 18.3 percent recorded in 1992.

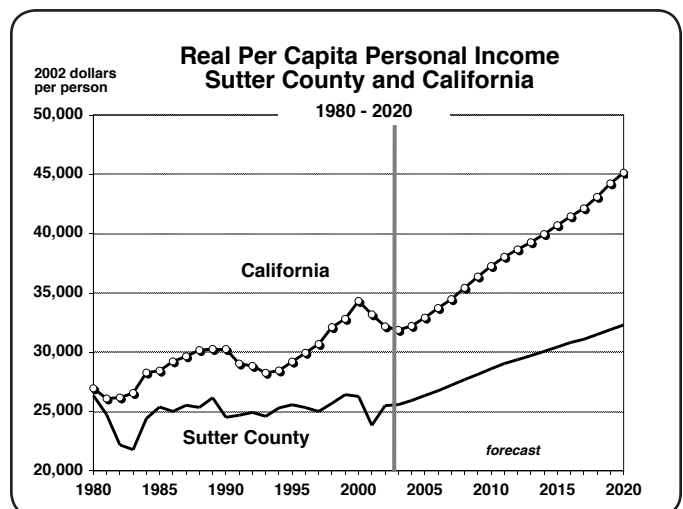
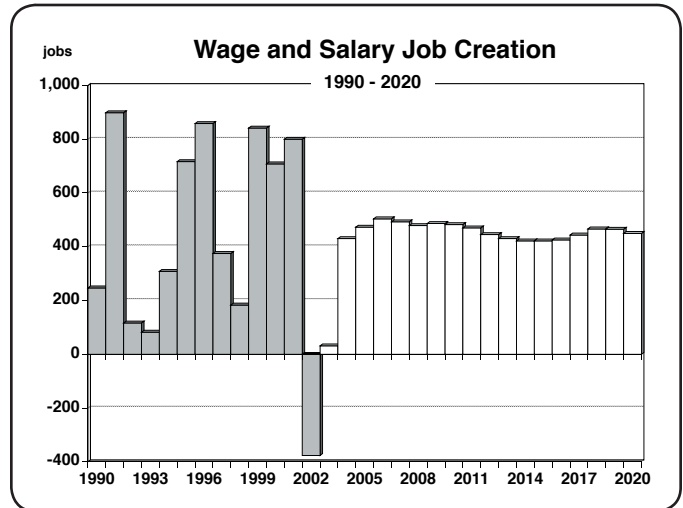
Sutter's economy is based in agriculture, food processing, lumber and wood products, and government. These industries are export industries, bringing revenue in from outside the county. In recent years, the region has also experienced significant growth in light manufacturing.

Sutter County is one of California's most extensively farmed counties. Last year, agriculture provided almost 14 percent of the county's total employment. The availability of water and long growing seasons combine to produce a wide variety of crops, including tomatoes, rice, peaches, dried plums, nuts, and other grains, all of which are distributed nationally and internationally.

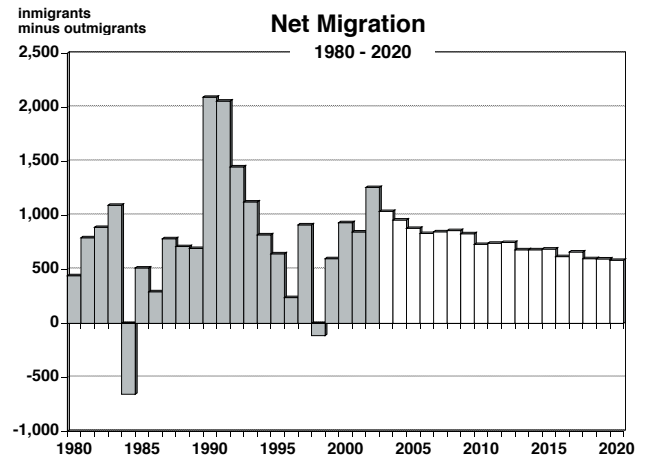
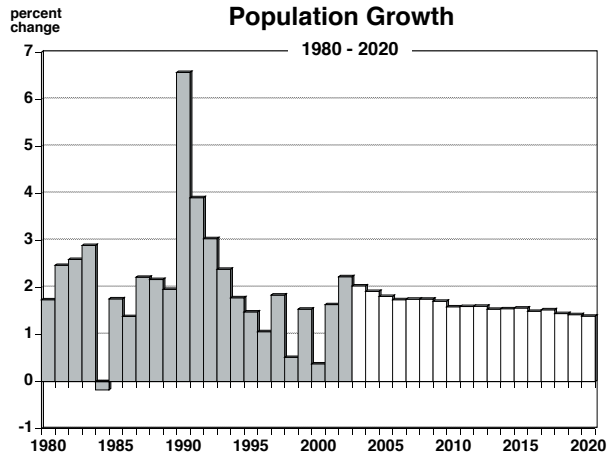
The Services sector represents 21 percent of all jobs in the county. It will add an estimated 1,000 new jobs over the next 5 years. Government, another vital industry in Sutter County, provided 17 percent of the county's jobs, with the majority of jobs in local government. Industry projections for Sutter County indicate that government will add another 700 jobs during the next 5 years, most of which are estimated to be in the local government sector.

## Forecast Highlights

- Non-farm job growth rises 1.9 percent per year over the next 5 years. The principal sector of growth occurs in government and services. Employment in the services sector is forecast to increase 3.3 percent per year. Government sector jobs are forecast to increase at an average annual rate of 2.5 percent between 2003 and 2008.



- Inflation-adjusted per capita income increases 1.6 percent per year between 2003 and 2008. Between 1997 and 2002, the growth of real per capita income averaged 0.5 percent per year.
- On the strength of greater fertility and slightly positive net in-migration, the growth in population increases to 1.8 percent per year over the next 5 years. The number of new in-migrants is forecast to average 900 persons per year.
- An average of 660 new residential units are authorized each year over the next 5 years.

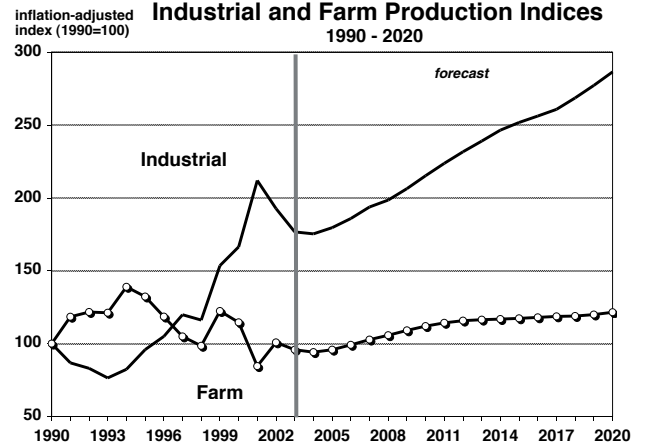
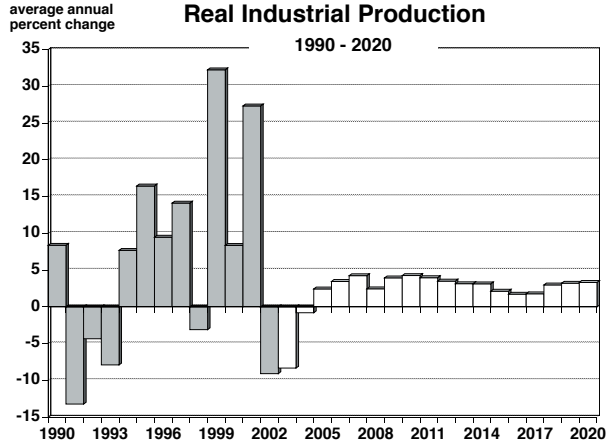


## Sutter County Economic Forecast

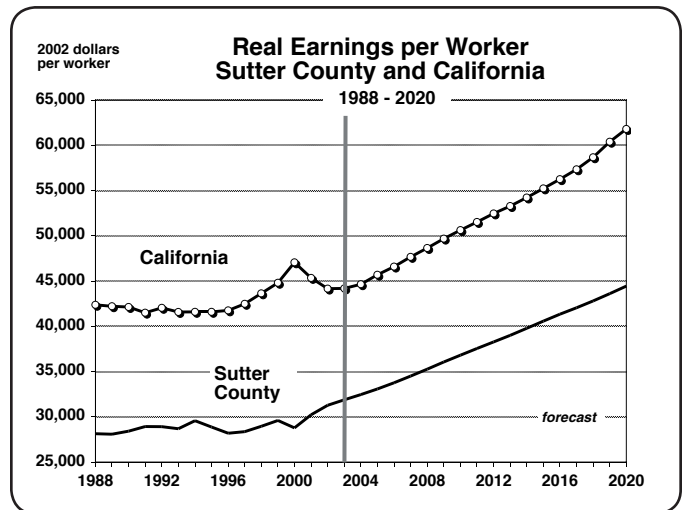
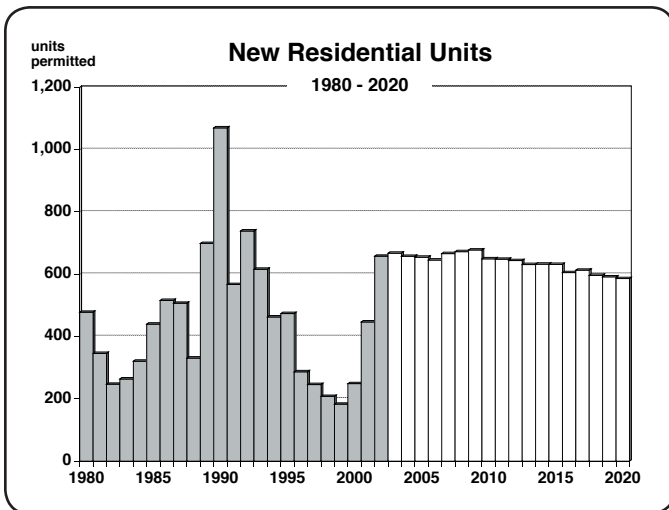
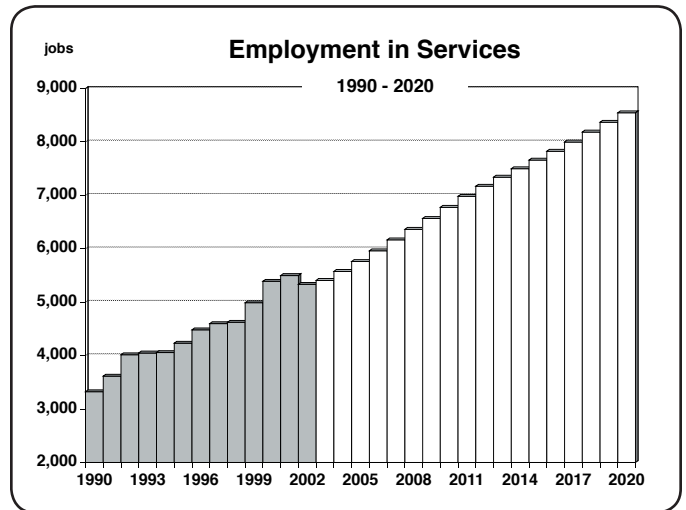
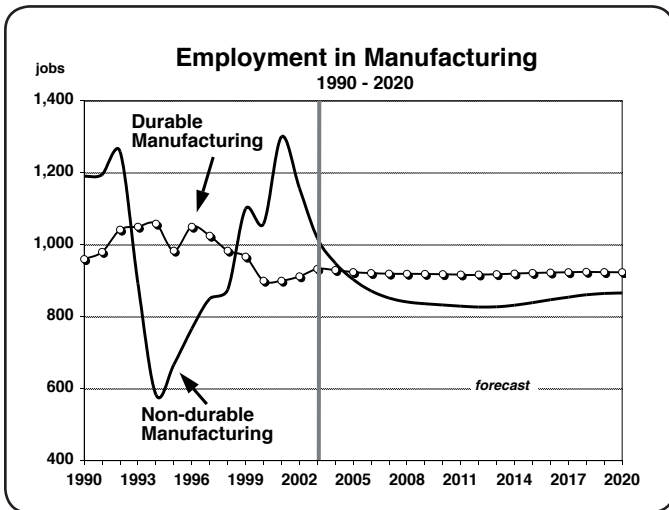
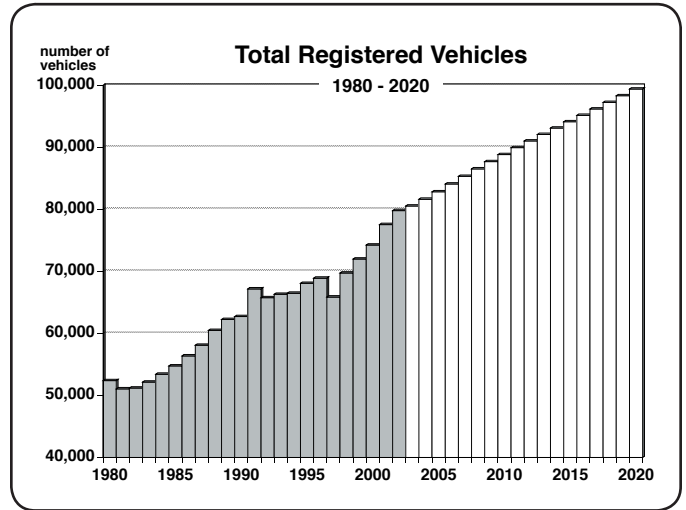
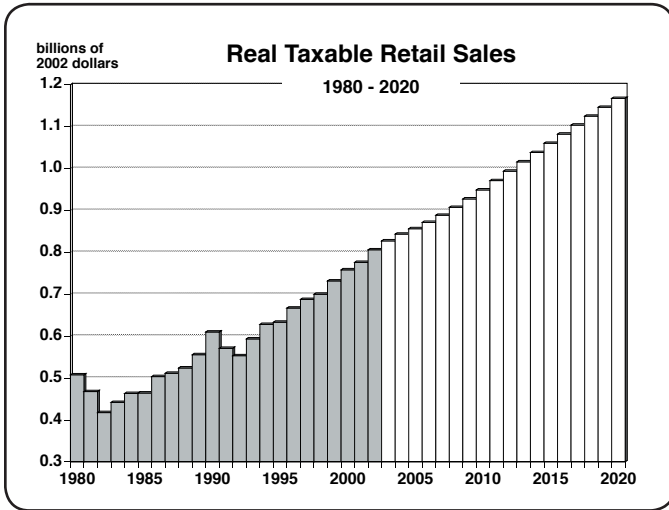
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	75,300	644	68,066	26.7	474	\$0.5	\$1.5	\$25,580	\$330.2	\$0.5
1996	76,100	239	68,900	27.0	287	\$0.5	\$1.5	\$25,335	\$302.7	\$0.5
1997	77,500	912	65,863	27.3	246	\$0.6	\$1.6	\$25,016	\$277.2	\$0.6
1998	77,900	-113	69,738	27.6	208	\$0.6	\$1.7	\$25,700	\$268.3	\$0.6
1999	79,100	599	71,990	27.8	183	\$0.7	\$1.9	\$26,427	\$347.7	\$0.8
2000	79,400	932	74,244	27.0	249	\$0.7	\$1.9	\$26,279	\$340.2	\$0.8
2001	80,700	847	77,545	27.2	447	\$0.8	\$1.9	\$23,840	\$264.4	\$1.1
2002	82,500	1,258	79,798	27.7	658	\$0.8	\$2.1	\$25,507	\$320.5	\$1.0
2003	84,179	1,037	80,532	28.4	668	\$0.8	\$2.2	\$25,588	\$312.2	\$0.9
2004	85,794	957	81,621	29.1	658	\$0.9	\$2.3	\$25,936	\$315.4	\$0.9
2005	87,348	880	82,833	29.7	655	\$0.9	\$2.5	\$26,358	\$329.8	\$0.9
2006	88,869	832	84,082	30.4	646	\$1.0	\$2.6	\$26,756	\$350.7	\$0.9
2007	90,426	848	85,318	31.1	666	\$1.0	\$2.8	\$27,221	\$373.0	\$1.0
2008	92,012	859	86,522	31.8	673	\$1.1	\$3.0	\$27,696	\$393.9	\$1.0
2009	93,583	830	87,695	32.4	678	\$1.1	\$3.2	\$28,137	\$416.9	\$1.0
2010	95,072	732	88,832	33.2	650	\$1.2	\$3.4	\$28,605	\$440.1	\$1.1
2011	96,589	742	89,945	33.8	648	\$1.2	\$3.6	\$29,046	\$461.8	\$1.1
2012	98,137	749	91,026	34.5	644	\$1.3	\$3.8	\$29,383	\$481.2	\$1.2
2013	99,648	682	92,073	35.2	631	\$1.4	\$4.0	\$29,713	\$498.2	\$1.2
2014	101,192	681	93,097	35.8	632	\$1.4	\$4.2	\$30,075	\$513.6	\$1.2
2015	102,775	688	94,119	36.5	632	\$1.5	\$4.4	\$30,441	\$530.2	\$1.3
2016	104,312	619	95,147	37.1	605	\$1.6	\$4.7	\$30,819	\$548.3	\$1.3
2017	105,905	661	96,179	37.8	613	\$1.7	\$5.0	\$31,104	\$567.3	\$1.3
2018	107,438	599	97,233	38.4	596	\$1.7	\$5.2	\$31,497	\$584.6	\$1.3
2019	108,968	597	98,309	39.0	592	\$1.8	\$5.5	\$31,907	\$606.0	\$1.4
2020	110,484	584	99,395	39.6	586	\$1.9	\$5.8	\$32,298	\$630.0	\$1.4





Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
21,833	4,225	975	1,650	733	5,717	892	4,233	3,408
22,692	4,625	883	1,817	800	5,700	875	4,483	3,508
23,067	4,300	1,000	1,875	792	5,917	817	4,600	3,767
23,250	4,233	1,008	1,858	842	6,033	867	4,625	3,783
24,092	4,083	1,100	2,067	867	6,183	975	4,992	3,825
24,800	4,092	1,133	1,958	808	6,200	1,000	5,392	4,217
25,600	3,800	1,700	2,200	800	6,400	1,100	5,500	4,100
25,224	3,442	1,501	2,069	787	6,800	1,040	5,335	4,251
25,255	3,387	1,309	1,951	772	6,981	1,054	5,409	4,392
25,686	3,468	1,278	1,879	761	7,136	1,065	5,577	4,522
26,159	3,532	1,289	1,827	760	7,273	1,074	5,762	4,643
26,663	3,585	1,316	1,793	772	7,395	1,082	5,964	4,757
27,156	3,630	1,338	1,771	794	7,507	1,085	6,168	4,863
27,635	3,669	1,360	1,760	819	7,612	1,086	6,365	4,965
28,121	3,702	1,381	1,754	852	7,713	1,087	6,569	5,062
28,603	3,731	1,398	1,750	892	7,811	1,088	6,777	5,157
29,074	3,755	1,412	1,746	933	7,907	1,087	6,983	5,250
29,519	3,776	1,424	1,744	970	8,002	1,085	7,172	5,345
29,949	3,792	1,434	1,746	1,009	8,096	1,084	7,342	5,446
30,371	3,806	1,447	1,752	1,044	8,189	1,082	7,499	5,553
30,793	3,816	1,460	1,761	1,066	8,281	1,081	7,660	5,668
31,218	3,825	1,473	1,770	1,085	8,372	1,079	7,826	5,788
31,662	3,833	1,488	1,778	1,110	8,462	1,079	7,999	5,913
32,129	3,839	1,506	1,786	1,140	8,552	1,079	8,186	6,042
32,594	3,845	1,526	1,789	1,172	8,640	1,080	8,368	6,174
33,044	3,851	1,541	1,790	1,201	8,728	1,080	8,546	6,307



# Tehama County Economic Forecast

The county is a large recreational and agricultural region that includes vast areas of open space for cattle ranches, orchards, row crops, and both large and small farms.

In January of 2003, Tehama County's population stood at 57,700 residents, an increase over the 2000 Census of 1,700 persons, or 3 percent in 3 years. Red Bluff, the largest city in the county, recorded a population of 13,450, up 2.3 percent from the 2000 Census. The county's second largest city, Corning, has a population of 6,825. Home to a major processing plant for olives and olive products, Corning is often referred to as the "Olive Capitol of the United States."

The county's 2002 annual average unemployment rate of 6.8 percent was higher than the state's rate of 6.6 percent, but over all, the unemployment rate in Tehama County has declined dramatically since 1992.

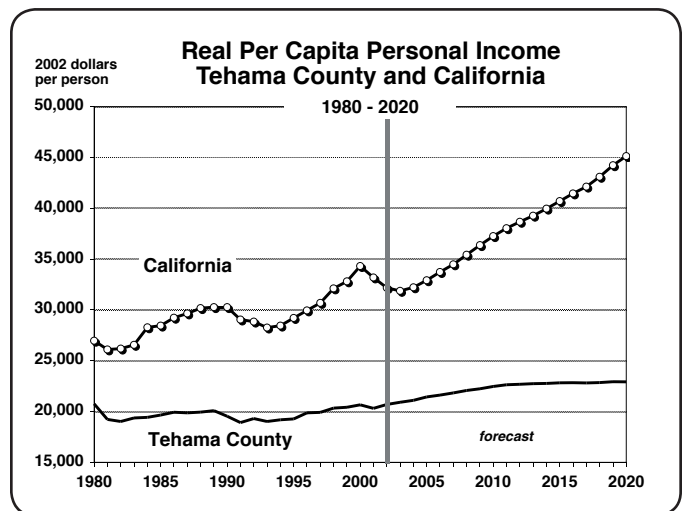
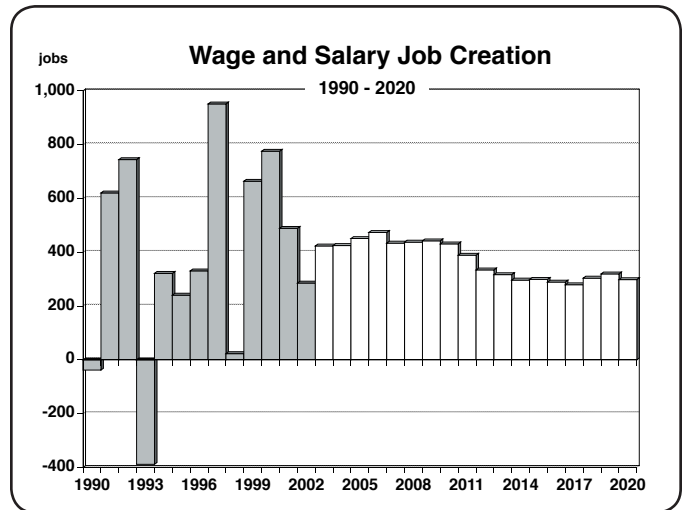
The retail trade, government, services, and manufacturing industries dominated the county's employment during 2002. Retail trade accounted for the largest share (27 percent) of all employment. Government contributed 23 percent of the total, with a majority of the jobs in local government. Services made up over 19 percent of all jobs, while manufacturing (specifically lumber and wood products) contributed 13 percent.

The composition of industry in Tehama County has changed over recent years. Retail trade and services employment has expanded, emulating trends seen throughout the state to meet increased needs for health services, recreation, and shopping. The retail and wholesale trade sectors are projected to produce in excess of 1,000 new jobs between 2003 and 2008. The government sector is forecast to create nearly 300 new jobs.

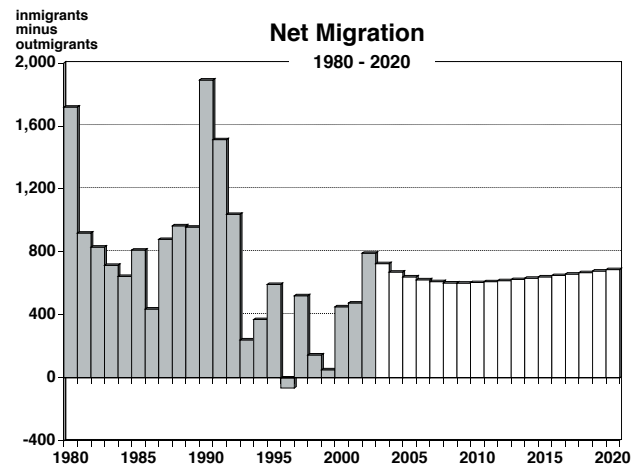
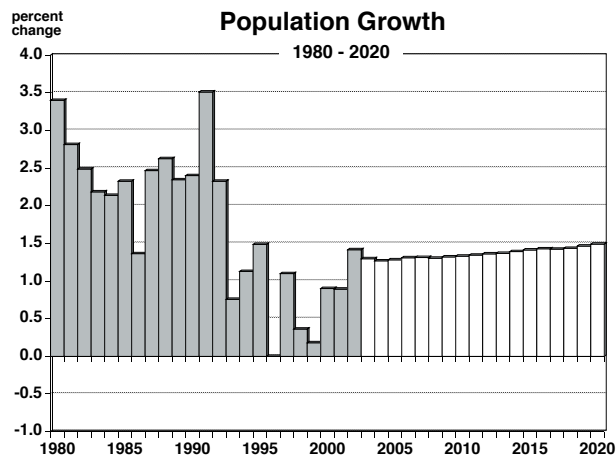
In Tehama County, business advantages include affordable land and access to interstate and state highways. Bisected by Interstate 5, Tehama County is fast becoming a distribution hub for Northern California. Several national corporations have built major industrial complexes in the county in recent years.

## Forecast Highlights

- Inflation-adjusted per capita income rises an average of 1.1 percent per year over the next 5 years. Total inflation-adjusted personal income is projected to rise an average of 2.4 percent per year between 2003 and 2008.



- Non-farm job growth averages 2.4 percent per year between 2003 and 2008. The industries responsible for most of the projected job growth are government, retail trade, and services. After increasing in 2002, the unemployment rate falls and remains in the 4 to 6 percent range through 2010.
- Population growth accelerates over the next 5 years, averaging 1.3 percent growth per year. This compares to the 0.8 percent average annual growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and higher net migration are responsible for the higher rate of population growth projected.

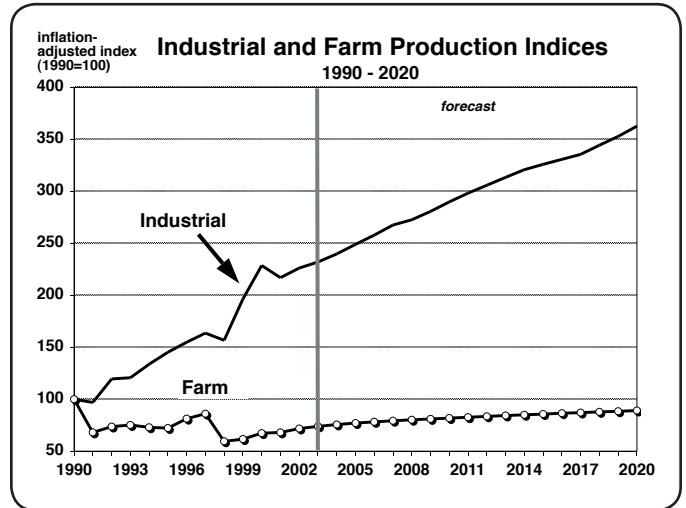
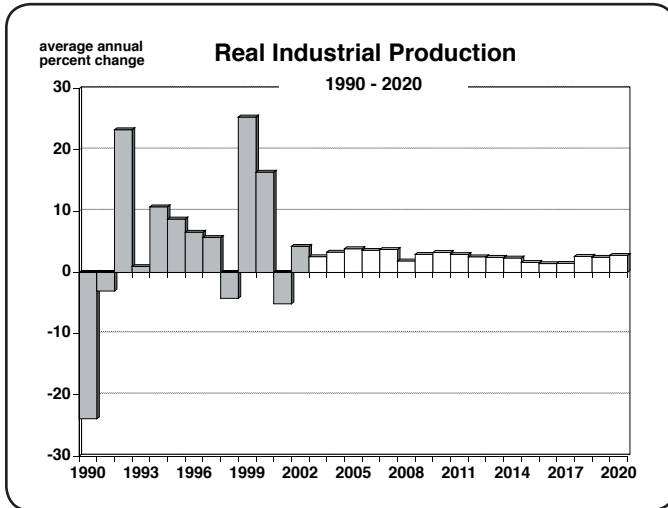


## Tehama County Economic Forecast

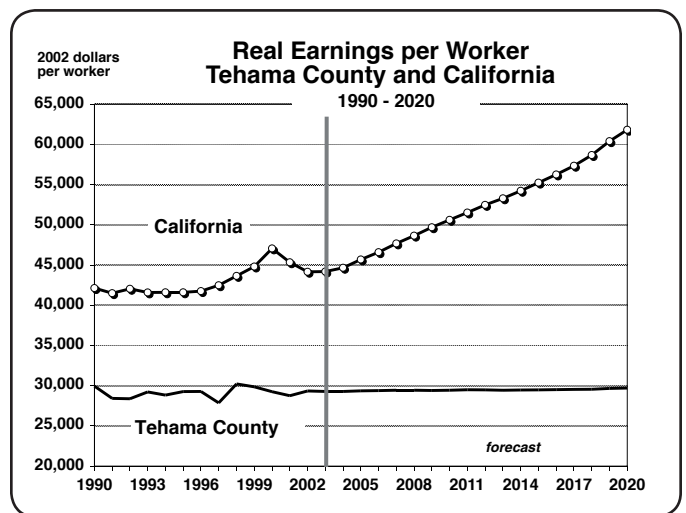
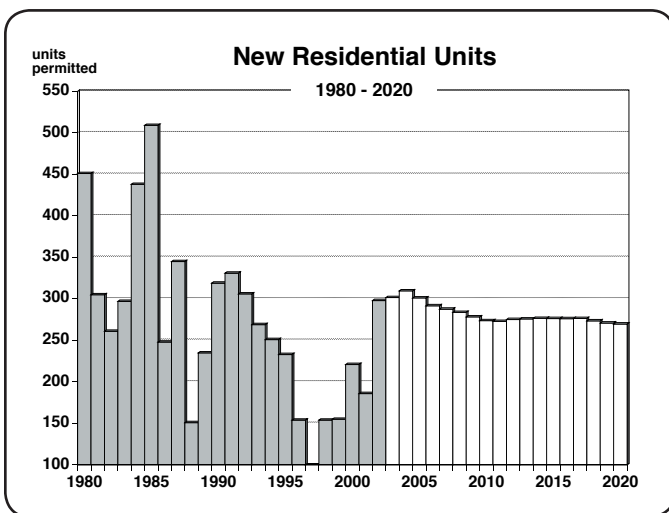
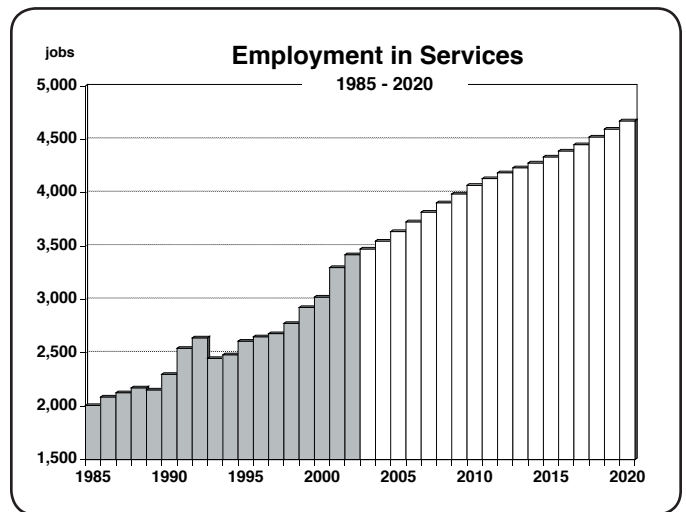
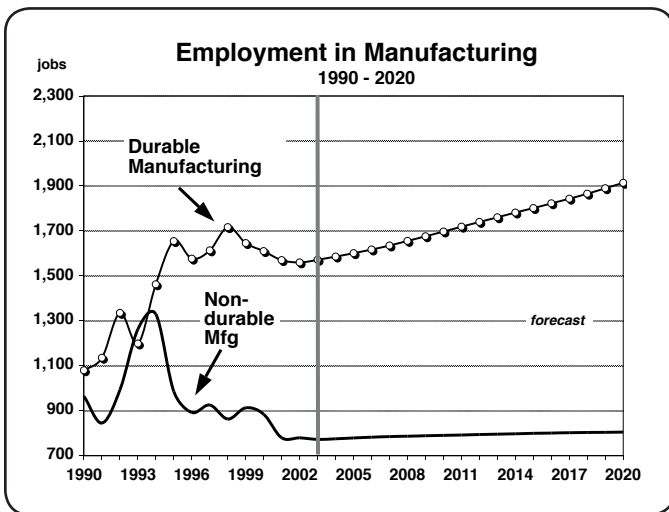
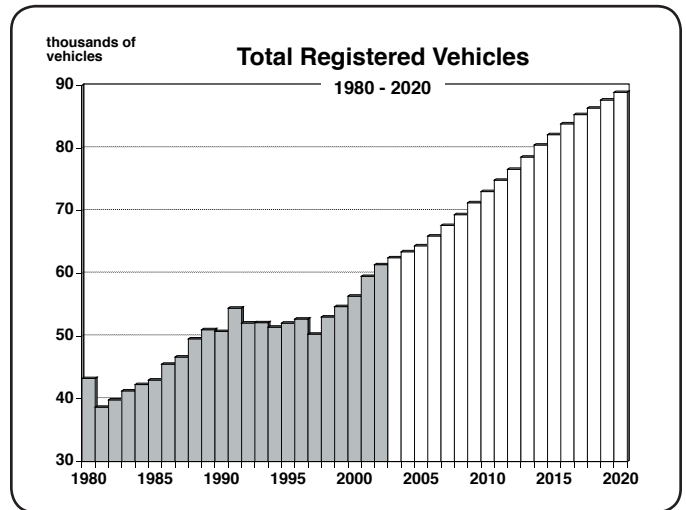
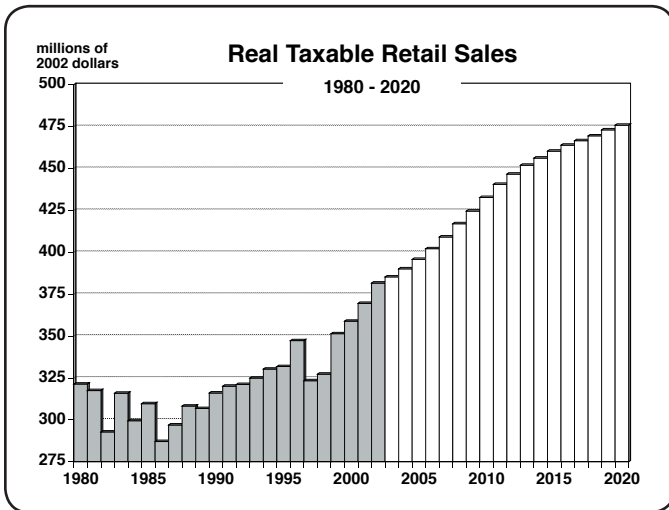
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	54,600	594	52.1	20.8	233	\$260.6	\$0.8	\$19,273	\$100	\$0.4
1996	54,600	-64	52.7	21.2	154	\$279.0	\$0.9	\$19,872	\$115	\$0.4
1997	55,200	522	50.3	21.4	95	\$268.7	\$0.9	\$19,913	\$126	\$0.5
1998	55,400	146	53.1	21.6	154	\$280.7	\$1.0	\$20,339	\$90	\$0.4
1999	55,500	52	54.7	21.8	155	\$314.1	\$1.0	\$20,424	\$97	\$0.5
2000	56,000	452	56.4	21.0	221	\$335.1	\$1.1	\$20,656	\$111	\$0.6
2001	56,500	476	59.5	21.1	186	\$363.6	\$1.1	\$20,308	\$118	\$0.6
2002	57,300	792	61.4	21.4	298	\$381.6	\$1.2	\$20,691	\$126	\$0.6
2003	58,043	726	62.5	21.7	302	\$395.0	\$1.2	\$20,911	\$133	\$0.6
2004	58,779	672	63.5	22.0	310	\$411.1	\$1.3	\$21,104	\$141	\$0.7
2005	59,533	642	64.4	22.3	301	\$428.6	\$1.4	\$21,440	\$147	\$0.7
2006	60,312	623	66.0	22.5	292	\$447.4	\$1.5	\$21,622	\$153	\$0.7
2007	61,104	612	67.7	22.8	288	\$467.2	\$1.5	\$21,827	\$160	\$0.7
2008	61,900	603	69.4	23.1	284	\$488.7	\$1.6	\$22,072	\$166	\$0.8
2009	62,718	603	71.3	23.4	278	\$510.4	\$1.7	\$22,234	\$172	\$0.8
2010	63,552	606	73.1	23.6	274	\$534.8	\$1.8	\$22,470	\$178	\$0.8
2011	64,407	611	74.9	23.9	273	\$559.9	\$1.9	\$22,639	\$185	\$0.8
2012	65,284	618	76.6	24.2	275	\$584.0	\$1.9	\$22,677	\$192	\$0.8
2013	66,176	625	78.6	24.4	276	\$608.3	\$2.0	\$22,739	\$200	\$0.9
2014	67,097	633	80.5	24.7	277	\$631.0	\$2.1	\$22,762	\$207	\$0.9
2015	68,045	642	82.1	24.9	276	\$654.2	\$2.2	\$22,824	\$215	\$0.9
2016	69,016	650	83.9	25.2	276	\$677.9	\$2.3	\$22,839	\$223	\$0.9
2017	69,999	659	85.3	25.5	276	\$701.8	\$2.4	\$22,808	\$231	\$0.9
2018	71,003	669	86.4	25.7	274	\$726.1	\$2.5	\$22,846	\$239	\$0.9
2019	72,043	679	87.7	26.0	271	\$751.7	\$2.6	\$22,936	\$248	\$1.0
2020	73,116	688	88.9	26.2	270	\$776.0	\$2.7	\$22,917	\$256	\$1.0

- Between 2003 and 2008, the number of new housing units is forecast to average nearly 300 per year in Tehama County. This compares to the 185 new housing units that were permitted on average per year between 1997 and 2002.



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
14,019	1,313	510	2,640	393	3,208	529	2,611	2,815
14,350	1,520	560	2,469	403	3,274	566	2,652	2,907
15,302	1,469	520	2,539	421	4,023	591	2,681	3,058
15,325	1,205	480	2,580	393	4,122	636	2,777	3,133
15,989	1,328	530	2,559	444	4,313	671	2,926	3,218
16,765	1,481	660	2,495	458	4,439	654	3,023	3,555
17,254	1,430	690	2,350	380	4,550	624	3,300	3,930
17,540	1,260	750	2,340	390	4,650	650	3,420	4,080
17,964	1,309	765	2,345	395	4,800	657	3,474	4,218
18,389	1,348	783	2,361	398	4,981	664	3,548	4,306
18,840	1,378	797	2,380	401	5,204	671	3,637	4,372
19,314	1,404	811	2,400	404	5,463	678	3,728	4,425
19,748	1,427	820	2,420	407	5,696	686	3,819	4,472
20,186	1,448	826	2,443	409	5,942	695	3,907	4,516
20,629	1,467	832	2,465	412	6,199	704	3,990	4,560
21,060	1,485	838	2,488	414	6,448	714	4,070	4,602
21,449	1,503	842	2,511	417	6,677	725	4,134	4,641
21,784	1,521	841	2,534	420	6,865	736	4,188	4,679
22,101	1,539	843	2,557	422	7,042	747	4,235	4,717
22,397	1,557	846	2,579	424	7,201	758	4,280	4,753
22,697	1,574	849	2,601	426	7,351	769	4,336	4,791
22,986	1,591	852	2,624	428	7,489	781	4,392	4,831
23,266	1,608	854	2,646	430	7,614	792	4,451	4,870
23,570	1,625	860	2,669	432	7,746	804	4,523	4,910
23,889	1,642	864	2,694	435	7,893	816	4,597	4,948
24,188	1,658	868	2,719	437	8,017	828	4,674	4,986



# Trinity County Economic Forecast

Trinity County is located in the mountains of north-western California. Hundreds of miles of trails, lakes, and highways provide diverse opportunities for outdoor visitors to the county. The recreation and tourism industries are major contributors to the local economy.

The January 2003 population estimates show Trinity County with 13,283 residents. The county has no incorporated cities. Small communities along the Trinity River where gold mining towns existed can still be seen along the roadside. The town of Weaverville, population 3,400, is the county seat. The demographic projection indicates that Trinity County's population will eclipse 14,000 persons by the year 2010, an increase of 6.2 percent over the 2003 level.

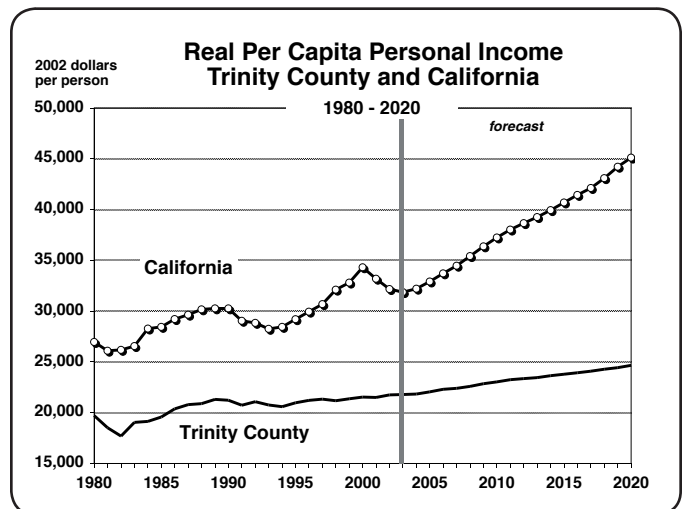
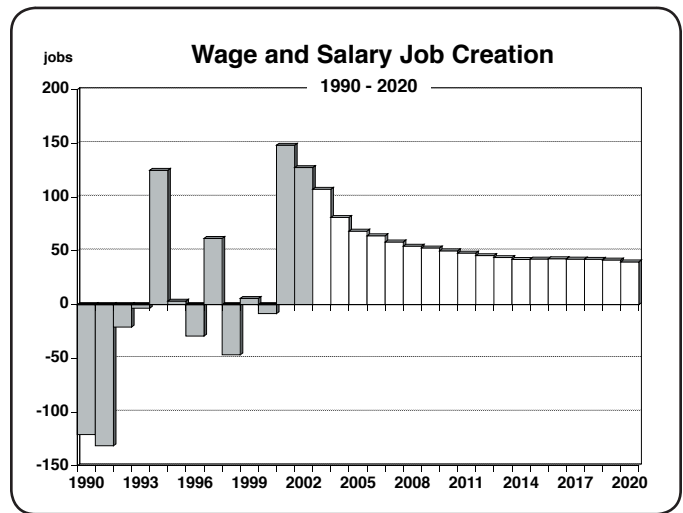
In counties like Trinity, where recreation and tourism are factors in the economy, there are usually greater seasonal variations in employment and, as a result, higher unemployment rates. The 2002 annual average unemployment rate for Trinity County was 10.5 percent, significantly higher than the state's rate of 6.6 percent for the same year. The unemployment rate is forecast to fall steadily in Trinity County over the next 2 decades.

Government is by far the largest employer in Trinity County. Among the county's government employers are the county itself, various school districts, and the U.S. Forest Service. The total number of government jobs in the year 2002 was 1,600, or 47 percent of all wage and salary employment. Retail trade is another significant industry in Trinity County's economy. Accounting for almost 17 percent of all employment, the majority of retail jobs are in food stores and restaurants. Services contributed nearly 17 percent of all jobs in 2002.

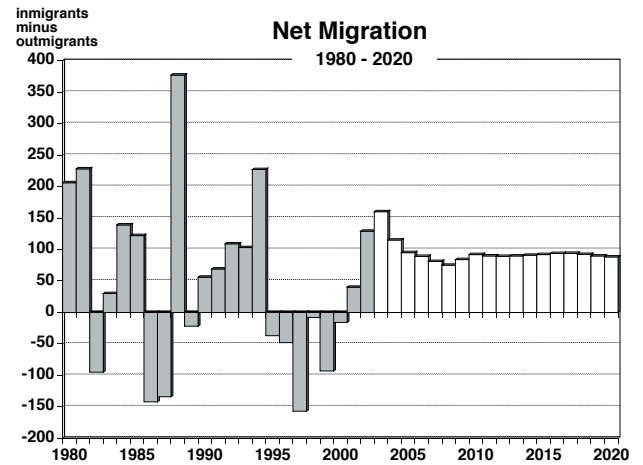
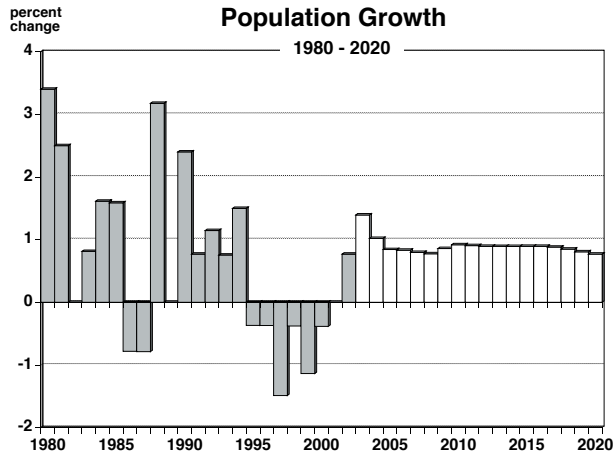
The employment forecast calls for all new job creation to occur across four sectors: manufacturing, retail trade, the services, and government. Farm employment in Trinity County is negligible.

## Forecast Highlights

- Non-farm job growth is forecast to rise 1.8 percent per year over the next 5 years. An average of 72 jobs per year are created between 2003 and 2008. Between 1997 and 2002, an average of 48 new jobs were created per year in the county.



- Inflation-adjusted per-capita income rises at a rate of 0.7 percent per year between 2003 and 2008. Between 1997 and 2002, the growth of real per capita income averaged 0.4 percent per year.
- Due to an increase in fertility, and more positive net-migration over the next 5 years, the growth in population averages 0.9 percent per year. The number of new in-migrants is forecast to average 100 persons per year, principally due to surprisingly strong net migration observed between 2002 and 2003.



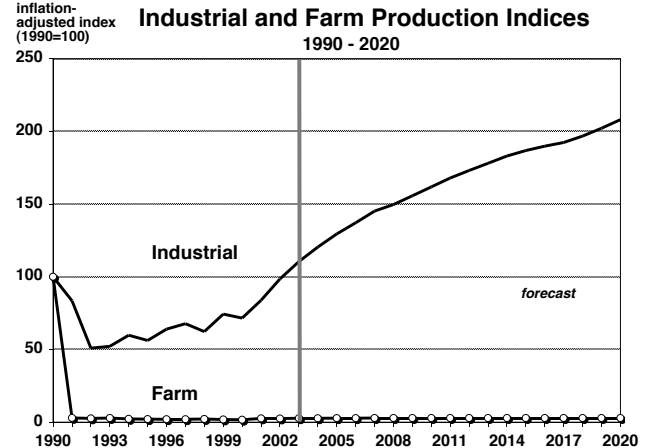
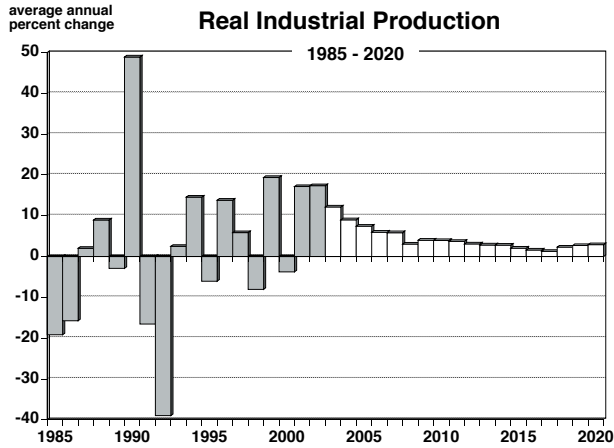
## Trinity County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	13,500	-37	17.2	5.4	36	\$33.0	\$222.4	\$20,979	\$1.5	\$66.4
1996	13,450	-48	17.6	5.5	32	\$34.0	\$229.2	\$21,212	\$1.5	\$75.6
1997	13,250	-157	16.4	5.5	31	\$32.8	\$234.9	\$21,337	\$1.5	\$80.1
1998	13,200	-8	16.8	5.5	50	\$32.6	\$239.8	\$21,186	\$1.7	\$73.6
1999	13,050	-93	17.0	5.5	46	\$36.6	\$249.3	\$21,371	\$1.5	\$87.9
2000	13,000	-16	17.7	5.6	33	\$37.6	\$261.5	\$21,546	\$1.4	\$84.6
2001	13,000	40	18.7	5.6	47	\$37.7	\$275.1	\$21,508	\$2.3	\$99.2
2002	13,100	129	18.9	5.6	42	\$38.7	\$285.0	\$21,758	\$2.3	\$116.4
2003	13,283	160	19.2	5.7	48	\$41.1	\$296.7	\$21,788	\$2.4	\$130.6
2004	13,418	115	19.4	5.7	45	\$43.6	\$308.8	\$21,842	\$2.6	\$142.4
2005	13,531	95	19.6	5.7	48	\$46.0	\$323.2	\$22,057	\$2.7	\$153.0
2006	13,643	89	19.9	5.7	48	\$48.3	\$338.6	\$22,301	\$2.8	\$162.1
2007	13,752	81	20.1	5.8	48	\$50.6	\$351.7	\$22,397	\$2.9	\$171.6
2008	13,859	75	20.3	5.8	47	\$52.8	\$367.0	\$22,600	\$3.0	\$176.9
2009	13,978	84	20.5	5.8	46	\$55.0	\$384.1	\$22,858	\$3.1	\$184.0
2010	14,106	92	20.7	5.8	44	\$57.3	\$401.6	\$23,038	\$3.2	\$191.3
2011	14,234	90	20.9	5.9	44	\$59.6	\$420.6	\$23,248	\$3.3	\$198.5
2012	14,361	89	21.1	5.9	44	\$61.9	\$438.8	\$23,366	\$3.4	\$204.6
2013	14,489	90	21.3	5.9	45	\$64.3	\$457.5	\$23,458	\$3.5	\$210.5
2014	14,618	91	21.5	5.9	46	\$66.6	\$478.1	\$23,644	\$3.6	\$216.4
2015	14,749	92	21.6	6.0	47	\$68.9	\$498.6	\$23,788	\$3.7	\$220.9
2016	14,881	94	21.8	6.0	47	\$71.3	\$520.6	\$23,941	\$3.8	\$224.4
2017	15,012	94	22.0	6.0	46	\$73.9	\$544.1	\$24,095	\$3.9	\$227.3
2018	15,139	92	22.2	6.0	44	\$76.4	\$568.6	\$24,281	\$4.0	\$232.6
2019	15,261	90	22.4	6.1	43	\$78.9	\$592.9	\$24,444	\$4.1	\$238.9
2020	15,378	88	22.6	6.1	43	\$81.3	\$618.8	\$24,668	\$4.2	\$245.9

- An average of 47 new residential units are permitted each year over the next 5 years. This compares with an average 42 units built between 1997 and 2002 in Trinity County.



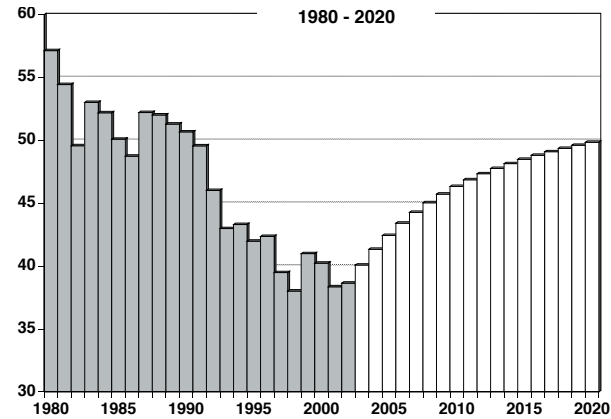


Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
3,171	40	83	453	80	583	67	485	1,381
3,142	35	106	378	104	583	60	488	1,387
3,203	47	120	324	104	604	72	524	1,408
3,157	53	96	307	129	583	77	510	1,403
3,163	69	103	288	128	598	76	486	1,414
3,154	62	91	262	113	603	67	447	1,512
3,303	60	122	293	117	590	67	491	1,564
3,430	30	170	280	110	600	70	570	1,600
3,537	35	200	294	105	611	72	598	1,622
3,619	37	220	309	105	625	72	611	1,640
3,687	38	233	321	106	640	73	618	1,658
3,751	38	241	332	111	657	73	624	1,676
3,809	38	247	341	116	673	73	628	1,693
3,864	38	251	350	120	689	73	632	1,711
3,917	38	254	357	125	704	73	637	1,729
3,967	38	255	363	131	719	73	641	1,747
4,015	38	257	368	137	734	73	645	1,764
4,060	38	258	372	142	748	73	648	1,781
4,104	38	258	376	146	763	74	652	1,798
4,146	38	259	379	150	776	74	655	1,815
4,189	38	260	382	155	790	74	658	1,832
4,232	38	260	385	159	803	74	661	1,851
4,274	38	261	388	164	815	74	664	1,870
4,316	37	261	390	169	828	74	668	1,888
4,358	37	261	391	175	840	74	672	1,906
4,398	37	262	392	181	852	74	675	1,924

millions of  
2002 dollars

### Real Taxable Retail Sales

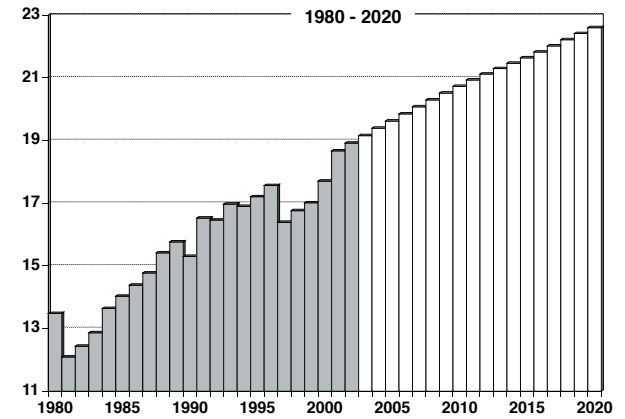
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

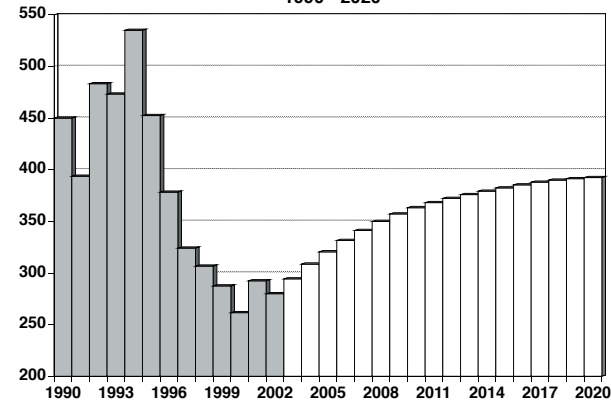
1980 - 2020



jobs

### Employment in Manufacturing

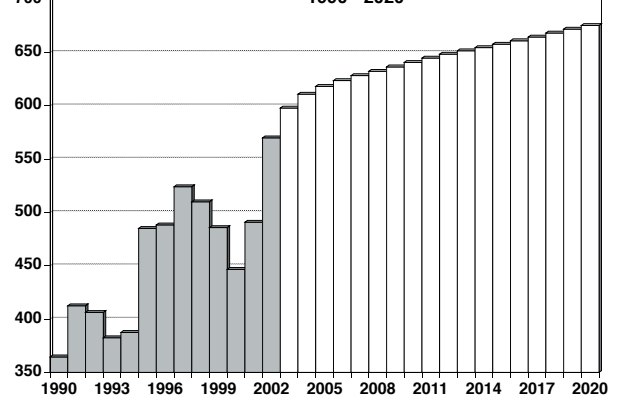
1990 - 2020



jobs

### Employment in Services

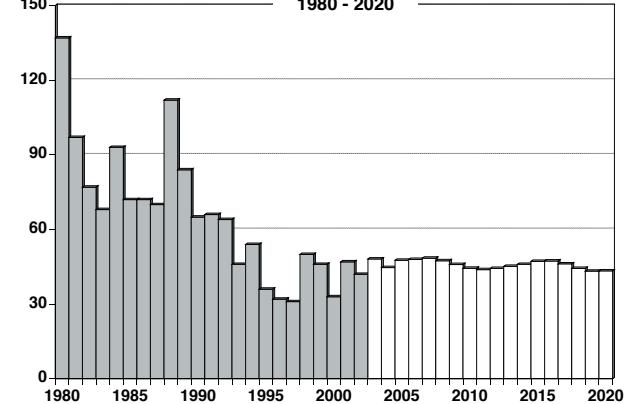
1990 - 2020



units  
permitted

### New Residential Units

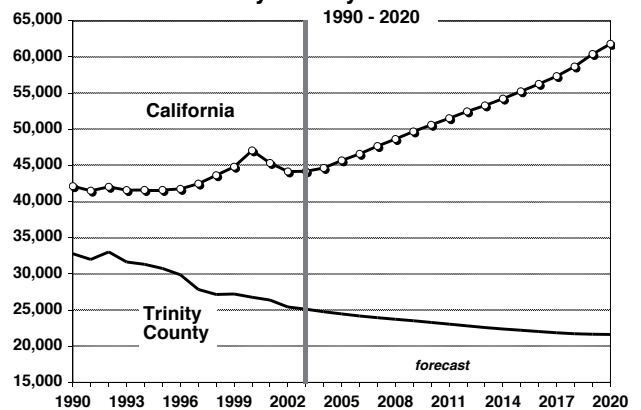
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Trinity County and California

1990 - 2020



# Tulare County Economic Forecast

Tulare County, located in the heart of the San Joaquin Valley, is largely an agricultural region, though almost half of the county's area is devoted to national parks and forests, including the popular Sequoia and Kings Canyon National Parks.

The largest employment sector in the county is agriculture, with 25 percent of all wage and salary jobs directly associated with farming. The county ranks as the second-largest agricultural producing county in the nation. For the last several years, Tulare has been one of the leading agricultural producing counties in milk, orange, grape, cattle, and cotton production.

The public sector is the second largest industry, with 22 percent of all jobs. This employment is driven largely by the demand for local education. The manufacturing industry has been growing recently, as the county tries to diversity into a broader non-farm economy.

Over the years 1996 to 2000, both Tulare County and Kings County experienced fluctuating annual average unemployment rates. The fluctuations were due primarily to a series of weather related disasters and the subsequent economic effects on agriculturally-based economies. In 2002, Tulare County recorded an unemployment rate of 15.4 percent.

The population of the county has been growing at an annual average rate of 1 percent per year over the last 5 years. Within the county, the largest cities are Visalia, Tulare, and Porterville.

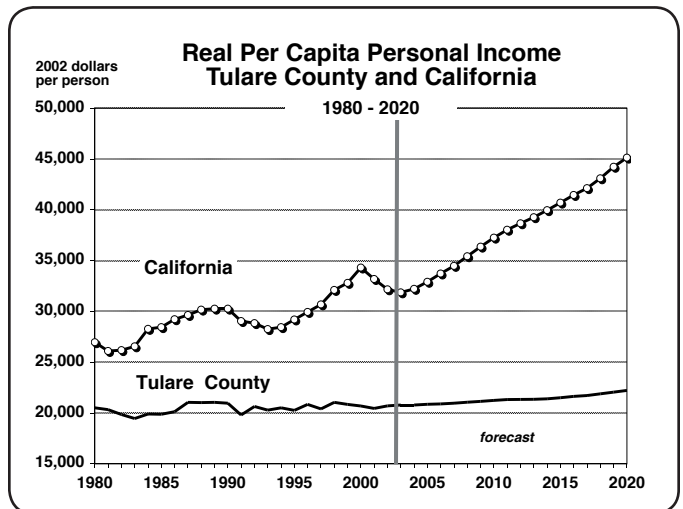
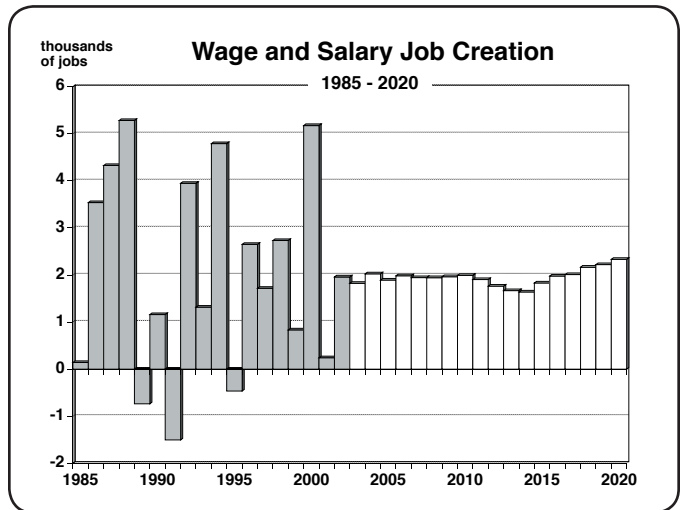
## Population • January 2003

Visalia	98,900
Tulare	46,250
Porterville	41,950
Dinuba	17,750

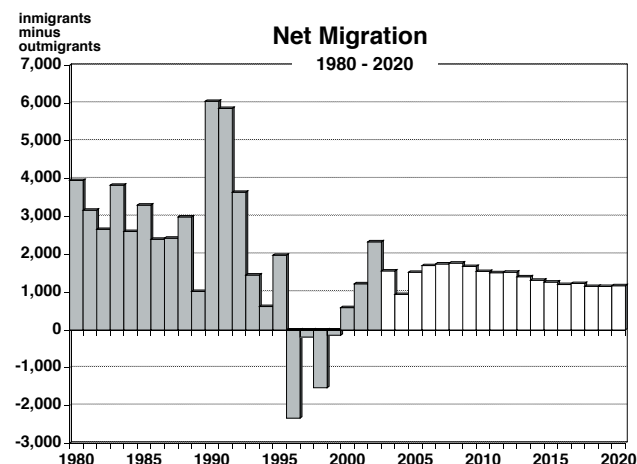
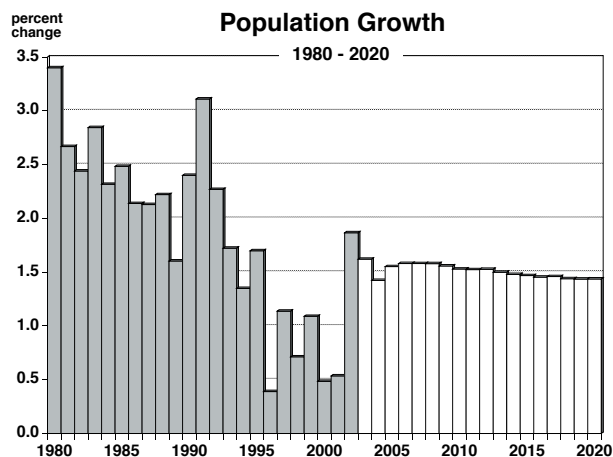
**Total County 386,200**

## Forecast Highlights

- Job growth is forecast to grow at a 1.4 percent rate per year between 2003 and 2008. A projected 9,800 new jobs are created during this period. The rate of job growth averaged 1.7 percent per year between 1997 and 2002.



- The unemployment rate falls below 15 percent in 2003, and continues to decline in subsequent years as the county's reliance on farm wage and salary jobs diminishes over time.
- Population growth increases, due principally to the acceleration in the natural rate of growth, and modest levels of annual net migration. The 20 to 29 and 30 to 44 year old populations steadily increase over the entire forecast period. Population growth is forecast to average 1.5 percent per year over the next 5 years.



## Tulare County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

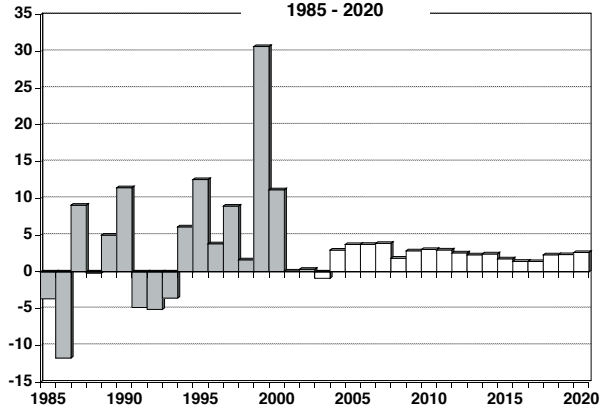
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	359,100	1,976	262	107	1,727	\$1.7	\$5.7	\$20,269	\$2,611	\$2.5
1996	360,500	-2,333	265	109	1,428	\$1.8	\$6.0	\$20,854	\$2,806	\$2.6
1997	364,600	-187	249	110	1,338	\$1.8	\$6.2	\$20,405	\$2,901	\$2.9
1998	367,200	-1,530	261	111	1,455	\$1.9	\$6.6	\$21,058	\$2,920	\$2.9
1999	371,200	-141	270	112	1,653	\$2.0	\$6.9	\$20,848	\$3,078	\$3.8
2000	373,000	592	278	110	1,651	\$2.2	\$7.2	\$20,700	\$3,069	\$4.2
2001	375,000	1,221	287	112	1,773	\$2.2	\$7.5	\$20,459	\$3,494	\$4.2
2002	382,000	2,332	293	113	1,988	\$2.3	\$8.1	\$20,712	\$3,201	\$4.3
2003	388,190	1,561	299	115	1,824	\$2.4	\$8.3	\$20,790	\$3,313	\$4.2
2004	393,716	940	306	117	1,750	\$2.5	\$8.6	\$20,797	\$3,451	\$4.3
2005	399,825	1,525	314	119	1,762	\$2.7	\$9.0	\$20,868	\$3,601	\$4.5
2006	406,143	1,703	323	121	1,745	\$2.8	\$9.4	\$20,898	\$3,767	\$4.7
2007	412,561	1,747	332	122	1,718	\$2.9	\$9.9	\$20,974	\$3,944	\$4.9
2008	419,076	1,768	339	124	1,692	\$3.0	\$10.3	\$21,062	\$4,141	\$5.0
2009	425,606	1,680	346	126	1,658	\$3.1	\$10.8	\$21,145	\$4,333	\$5.1
2010	432,114	1,548	352	127	1,622	\$3.2	\$11.3	\$21,249	\$4,532	\$5.3
2011	438,695	1,515	358	129	1,596	\$3.3	\$11.9	\$21,327	\$4,737	\$5.4
2012	445,392	1,527	361	131	1,575	\$3.5	\$12.4	\$21,341	\$4,939	\$5.6
2013	452,067	1,406	364	132	1,547	\$3.6	\$13.0	\$21,355	\$5,140	\$5.7
2014	458,752	1,316	366	134	1,523	\$3.7	\$13.6	\$21,404	\$5,344	\$5.8
2015	465,487	1,267	368	135	1,504	\$3.8	\$14.2	\$21,507	\$5,548	\$5.9
2016	472,254	1,203	371	137	1,483	\$4.0	\$14.9	\$21,637	\$5,758	\$6.0
2017	479,144	1,230	374	138	1,470	\$4.1	\$15.7	\$21,721	\$5,969	\$6.1
2018	486,041	1,153	377	140	1,450	\$4.3	\$16.5	\$21,887	\$6,201	\$6.2
2019	493,021	1,152	379	141	1,434	\$4.5	\$17.3	\$22,064	\$6,450	\$6.4
2020	500,105	1,170	380	143	1,420	\$4.7	\$18.1	\$22,227	\$6,701	\$6.6

- New residential units are forecast to average 1,750 per year between 2003 and 2008. The new units are expected to accommodate the higher rate of anticipated population growth.
- Over the forecast horizon, the median home price rises an average of 3.5 percent per year, adjusted for inflation. This is a sharp increase from the relative stability of home prices that characterized the 1997 to 2002 period in Tulare County. The median selling price of a home in 2002 was \$104,000.

average annual  
percent change

### Real Industrial Production

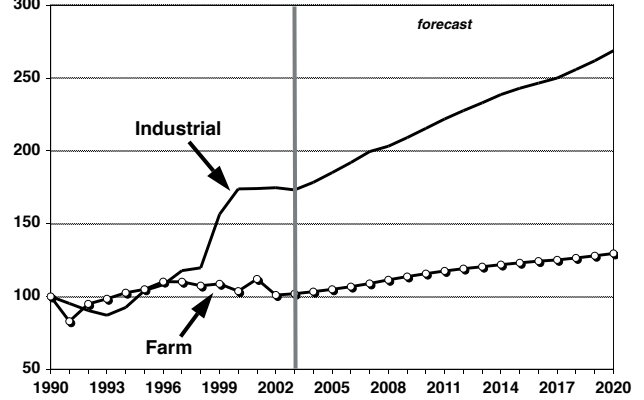
1985 - 2020



inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020

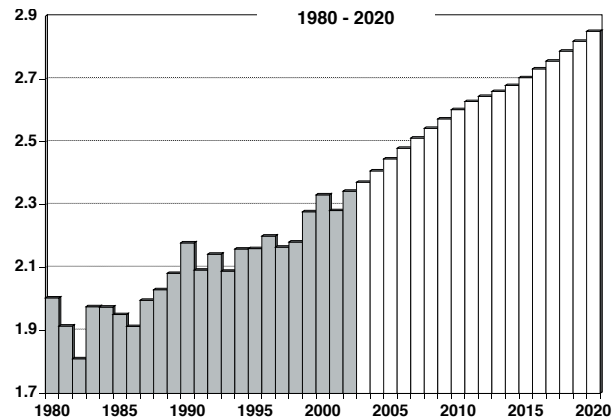


Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
120.0	32.2	3.7	12.2	4.2	23.6	3.4	17.1	23.6
122.6	35.2	3.6	11.6	4.2	23.9	3.3	16.9	24.0
124.4	34.5	3.9	12.0	4.1	24.2	3.4	17.7	24.7
127.1	35.0	4.2	12.1	4.3	24.1	3.6	18.5	25.5
127.9	33.3	4.8	12.4	4.5	23.9	3.7	18.8	26.6
133.1	34.9	5.0	12.2	4.7	24.7	3.7	19.6	28.3
133.3	33.3	5.3	11.9	4.7	24.7	4.0	20.2	29.3
135.3	33.7	5.5	11.7	4.5	25.1	4.2	20.3	30.3
137.1	33.8	5.3	11.6	4.5	25.5	4.3	20.9	31.3
139.1	33.8	5.4	11.6	4.5	25.9	4.3	21.4	32.2
141.0	33.7	5.5	11.7	4.5	26.3	4.4	21.7	33.2
143.0	33.6	5.6	11.9	4.6	26.7	4.5	22.0	34.1
145.0	33.5	5.6	12.0	4.6	27.1	4.6	22.3	35.1
146.9	33.4	5.7	12.1	4.6	27.6	4.7	22.5	36.2
148.9	33.4	5.7	12.3	4.7	28.0	4.8	22.8	37.2
150.9	33.3	5.7	12.4	4.7	28.4	5.0	23.1	38.2
152.8	33.2	5.7	12.5	4.8	28.8	5.1	23.3	39.3
154.5	33.1	5.7	12.6	4.8	29.2	5.2	23.4	40.4
156.2	33.1	5.7	12.7	4.8	29.5	5.3	23.5	41.5
157.8	33.0	5.8	12.8	4.9	29.9	5.4	23.6	42.6
159.7	32.8	5.8	12.9	4.9	30.2	5.5	23.9	43.7
161.6	32.7	5.8	13.0	4.9	30.5	5.6	24.3	44.8
163.7	32.5	5.8	13.1	5.0	30.9	5.7	24.8	45.9
165.8	32.4	5.9	13.2	5.0	31.2	5.8	25.4	47.0
168.0	32.2	5.9	13.3	5.1	31.6	5.9	26.0	48.2
170.4	32.0	5.9	13.4	5.1	32.0	6.0	26.7	49.3

billions of  
2002 dollars

### Real Taxable Retail Sales

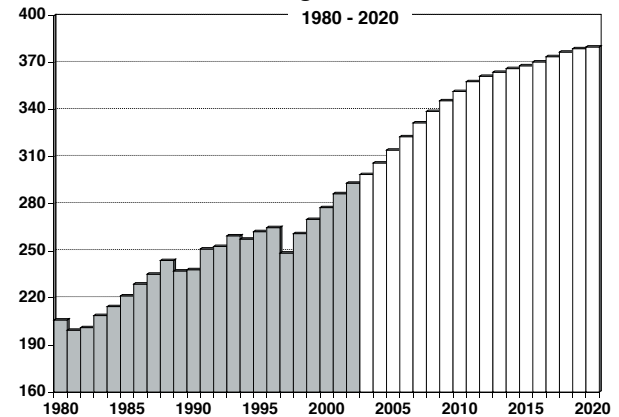
1980 - 2020



thousands of  
vehicles

### Total Registered Vehicles

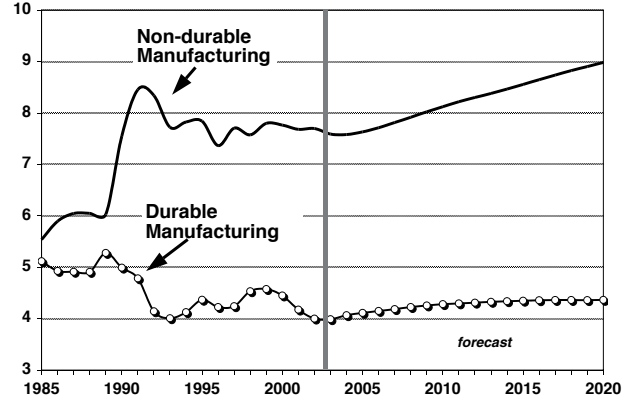
1980 - 2020



thousands of  
jobs

### Employment in Manufacturing

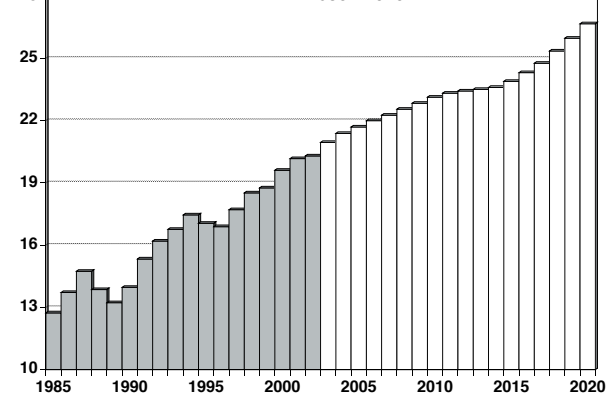
1985 - 2020



thousands of  
jobs

### Employment in Services

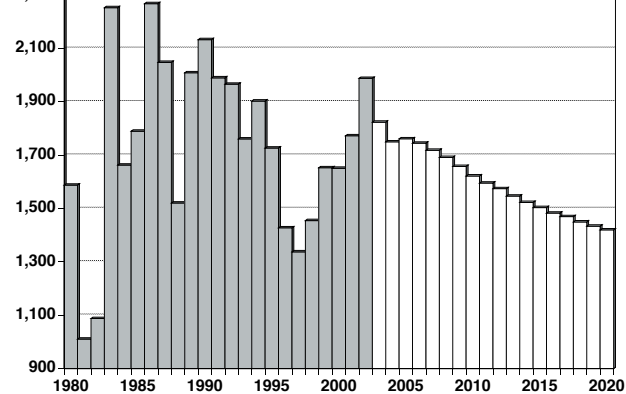
1985 - 2020



units  
permitted

### New Residential Units

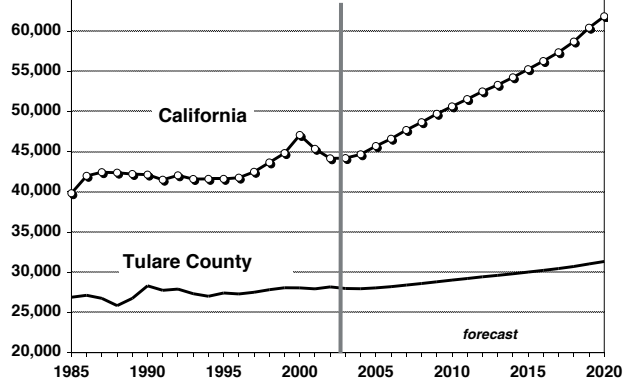
1980 - 2020



2002 dollars  
per worker

### Real Earnings per Worker Tulare County and California

1985 - 2020



# Tuolumne County Economic Forecast

Tuolumne County lies on the western slope of the Sierra Nevada, and is the home to Yosemite National Park. Transportation within the county is provided by the Sierra Railroad (freight only), several trucking firms, a county-owned airport, and bus passenger service.

Historically, mining and timber industries dominated Tuolumne County's economy. In recent years, as these industries declined and the local economy diversified, tourism became an increasingly important industry. Most notably Yosemite National Park is one of the state's most popular natural attractions, with thousands of visitors each year seeking a variety of recreational activities. Other industries are also growing in response to the changing needs of the county, moving beyond resource-based industries and towards the growing use of computers and electronics. A significant number of high tech firms, relatively new to the county, provide components and equipment to state, national, and international markets.

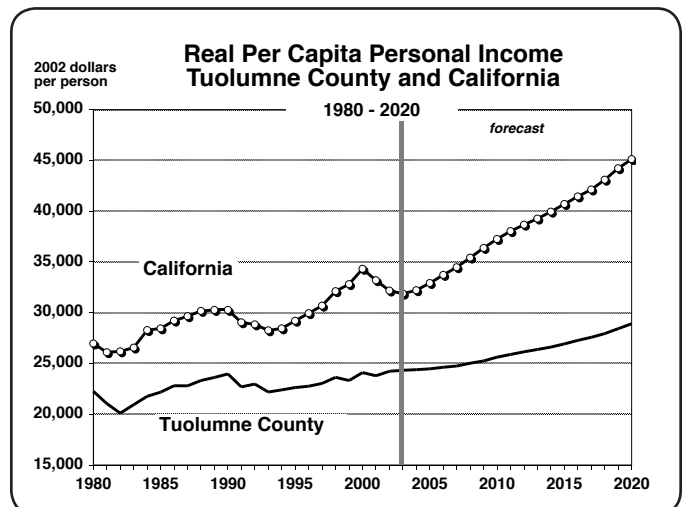
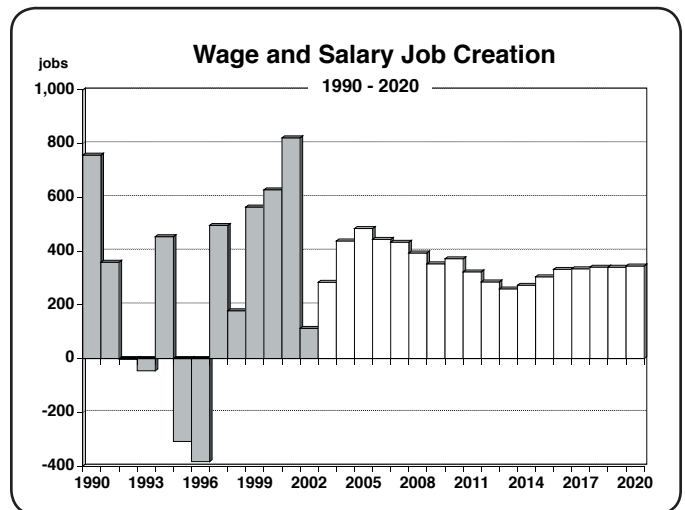
## Population • January 2003

<u>Jurisdiction</u>	<u>Population</u>	<u>2002-2003 % change</u>
Sonora	4,610	1.3
Rest of County	51,900	1.2
<b>Total County</b>	<b>56,600</b>	<b>1.1</b>

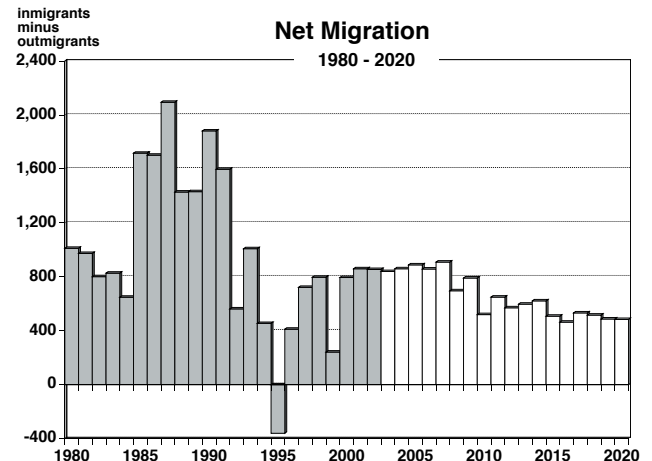
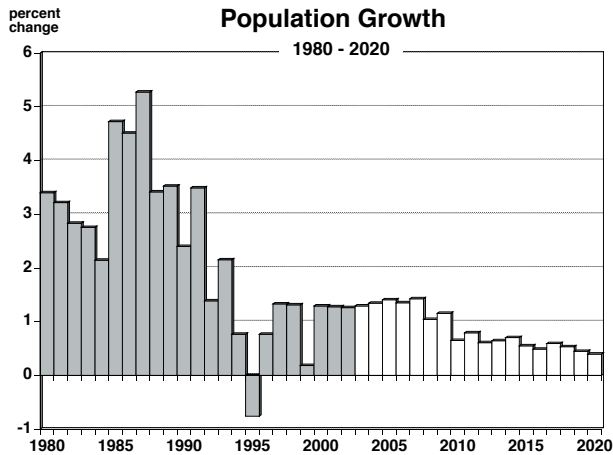
Tuolumne's economic base is dominated by government, services, and retail trade. Government is the largest industry in the county, accounting for 29 percent of the total employment, and projected to reach 5,500 jobs by 2008. Services (27 percent) and retail trade (24 percent) are also significant industries providing employment. The services sector is forecast to grow at 2.7 percent per year between 2003 and 2008. Within the services sector, the health services sector is expected to create demand for many new jobs. Government will be the fastest-growing industry, with a projected average annual growth rate of 2.9 percent over the next five years. Retail trade is projected to add workers at a pace of 2.3 percent per year.

## Forecast Highlights

- Real per capita income rises an average 0.6 percent per year over the next 5 years.



- Non-farm employment will grow 2.5 percent per year between 2003 and 2008. Farm employment is forecast to decline a scant 0.6 percent per year over the same time period.
- Population growth accelerates to 1.3 percent per year between 2003 and 2008. The forecast calls for an increase in the natural rate of population growth, due to rapidly growing population in the 20 to 29 age cohort. Net migration is also forecast to average 840 persons per year.



## Toulumne County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	52,200	-359	59.4	19.6	185	\$260.9	\$927.9	\$22,636	\$13.6	\$311.2
1996	52,600	412	60.9	19.8	154	\$269.4	\$962.0	\$22,763	\$13.2	\$347.7
1997	53,300	722	57.8	19.9	246	\$282.6	\$1,020.4	\$23,039	\$12.8	\$404.8
1998	54,000	797	60.5	20.0	413	\$298.8	\$1,094.4	\$23,634	\$13.9	\$393.3
1999	54,100	243	62.6	20.1	194	\$333.3	\$1,128.1	\$23,330	\$13.4	\$519.9
2000	54,800	795	66.1	21.0	278	\$363.7	\$1,233.2	\$24,103	\$16.2	\$625.3
2001	55,500	860	70.3	21.1	252	\$393.4	\$1,299.5	\$23,798	\$18.7	\$677.8
2002	56,200	855	72.3	21.3	300	\$409.6	\$1,379.7	\$24,240	\$19.3	\$688.4
2003	56,927	840	73.7	21.4	335	\$431.3	\$1,423.8	\$24,331	\$18.1	\$709.6
2004	57,692	860	75.0	21.5	355	\$453.7	\$1,490.2	\$24,394	\$17.6	\$742.0
2005	58,504	889	76.4	21.7	377	\$476.2	\$1,560.8	\$24,475	\$17.3	\$775.0
2006	59,295	858	77.7	22.0	410	\$500.1	\$1,635.1	\$24,626	\$17.2	\$806.7
2007	60,141	910	79.0	22.2	402	\$524.0	\$1,710.7	\$24,755	\$17.1	\$841.9
2008	60,768	697	80.3	22.5	396	\$550.6	\$1,793.4	\$25,030	\$16.9	\$853.4
2009	61,470	792	81.6	22.7	363	\$578.6	\$1,878.2	\$25,259	\$16.8	\$876.5
2010	61,869	520	82.9	23.0	352	\$610.7	\$1,970.9	\$25,619	\$16.8	\$903.1
2011	62,360	651	84.2	23.3	318	\$643.5	\$2,064.7	\$25,892	\$16.7	\$925.8
2012	62,740	571	85.4	23.6	325	\$676.1	\$2,158.3	\$26,149	\$16.6	\$940.0
2013	63,145	598	86.7	23.8	327	\$708.5	\$2,255.1	\$26,375	\$16.6	\$958.7
2014	63,589	622	87.9	24.1	334	\$740.5	\$2,355.4	\$26,618	\$16.5	\$978.1
2015	63,939	508	89.2	24.3	346	\$775.0	\$2,461.3	\$26,928	\$16.4	\$991.4
2016	64,252	464	90.4	24.6	335	\$813.6	\$2,576.2	\$27,279	\$16.2	\$1,005.9
2017	64,633	533	91.6	24.9	315	\$855.0	\$2,697.3	\$27,582	\$16.1	\$1,013.0
2018	64,978	517	92.8	25.1	303	\$898.5	\$2,825.2	\$27,947	\$15.9	\$1,031.9
2019	65,269	488	94.0	25.4	291	\$945.5	\$2,965.2	\$28,422	\$15.5	\$1,052.0
2020	65,527	484	95.2	25.6	287	\$995.5	\$3,109.2	\$28,923	\$15.1	\$1,076.2

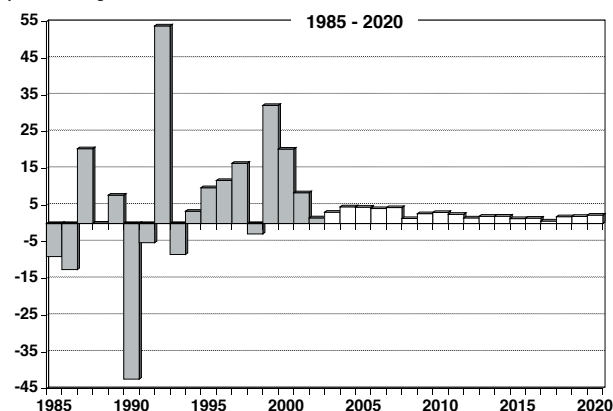
- Between 2003 and 2008, an annual average of 380 new residential units are authorized through the permitting process. The median home selling price was \$133,500 in 2002. It is forecast to rise at an inflation-adjusted average rate of 3.3 percent per year between 2003 and 2008.



average annual  
percent change

### Real Industrial Production

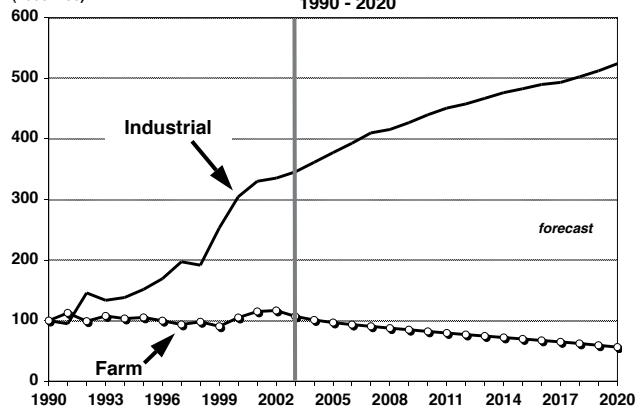
1985 - 2020



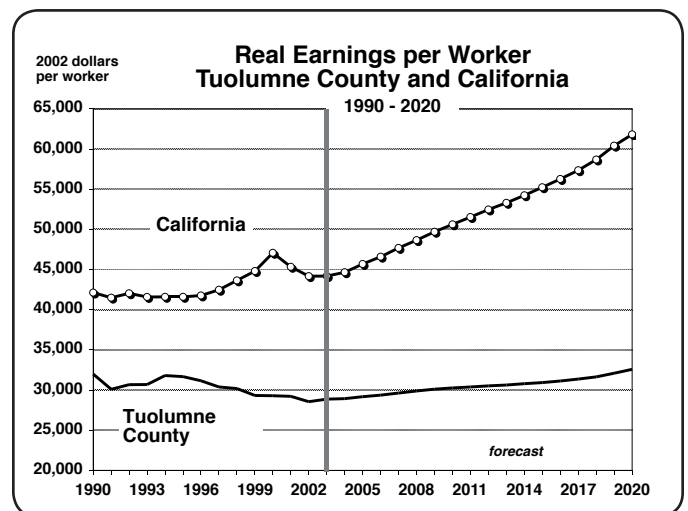
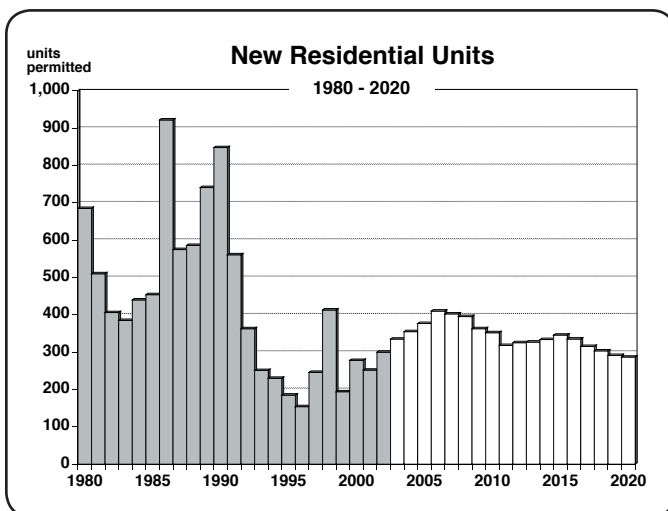
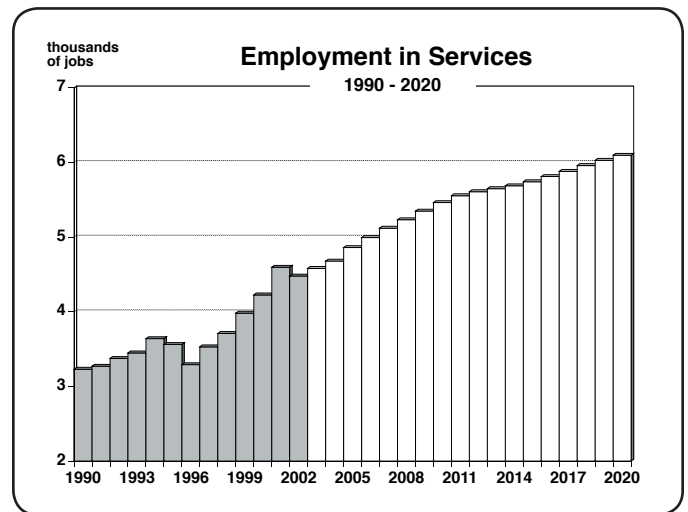
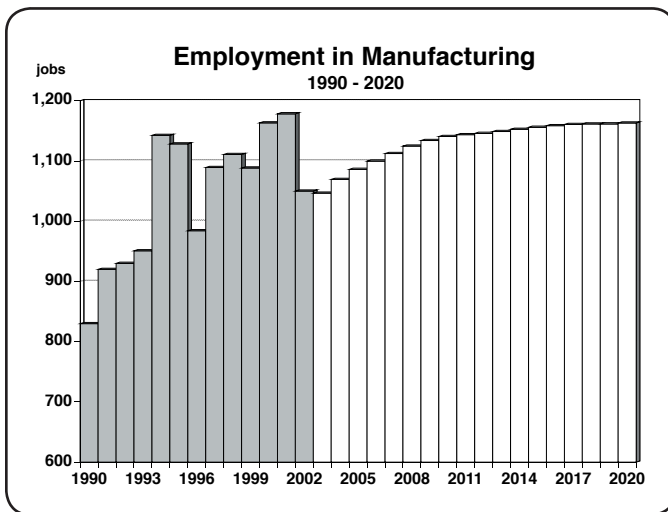
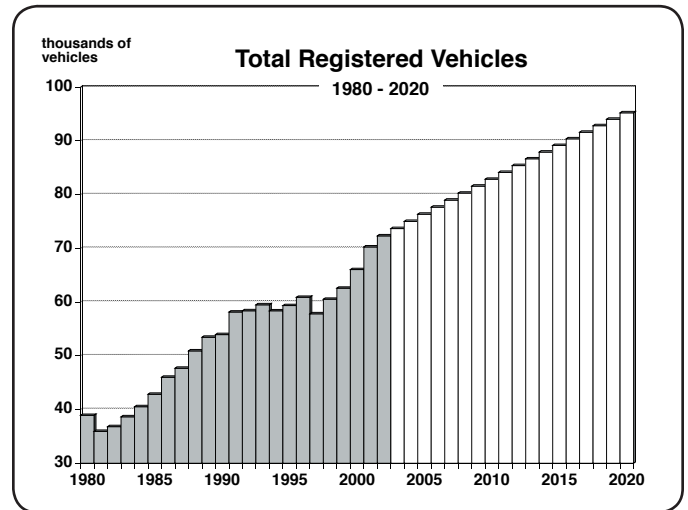
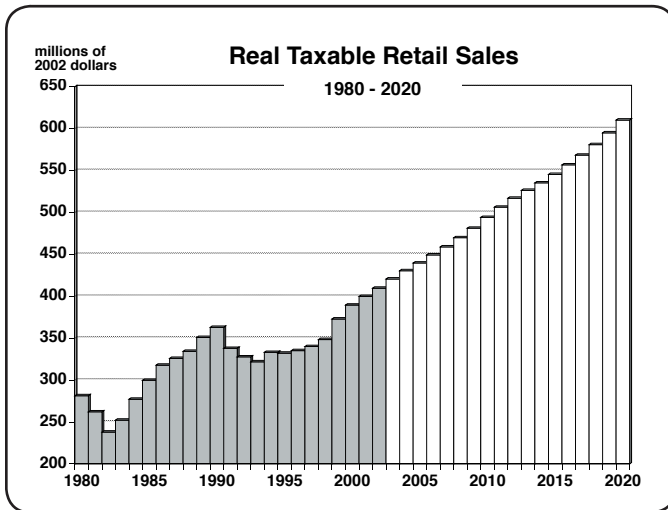
Inflation-  
adjusted index  
(1990=100)

### Industrial and Farm Production Indices

1990 - 2020



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
14,263	107	643	1,128	408	3,768	567	3,563	4,025
13,880	151	692	984	447	3,773	482	3,293	4,109
14,376	142	728	1,089	503	3,643	478	3,531	4,299
14,554	165	801	1,111	434	3,690	473	3,710	4,243
15,118	186	869	1,088	468	3,722	492	3,982	4,380
15,747	184	984	1,163	433	3,803	529	4,227	4,538
16,568	200	1,151	1,178	447	3,849	546	4,597	4,768
16,681	220	1,200	1,050	480	3,970	570	4,480	4,760
16,965	225	1,230	1,047	489	4,040	591	4,581	4,792
17,403	223	1,273	1,069	492	4,150	609	4,680	4,950
17,887	221	1,301	1,086	494	4,230	628	4,861	5,094
18,331	220	1,329	1,100	496	4,330	647	4,995	5,242
18,764	218	1,348	1,112	498	4,428	665	5,120	5,393
19,157	218	1,354	1,125	500	4,523	682	5,234	5,528
19,510	218	1,359	1,134	501	4,619	695	5,349	5,639
19,882	218	1,361	1,141	503	4,726	708	5,464	5,763
20,205	218	1,360	1,144	505	4,824	720	5,556	5,877
20,490	218	1,347	1,146	507	4,908	734	5,609	6,007
20,749	219	1,346	1,149	508	4,980	748	5,650	6,149
21,023	219	1,351	1,153	510	5,048	763	5,689	6,296
21,327	218	1,360	1,156	511	5,123	778	5,743	6,446
21,659	218	1,376	1,159	512	5,207	792	5,812	6,599
21,994	218	1,382	1,161	514	5,290	804	5,882	6,750
22,334	217	1,389	1,162	516	5,378	816	5,959	6,905
22,674	216	1,394	1,162	518	5,474	828	6,030	7,058
23,019	216	1,397	1,163	519	5,577	840	6,097	7,212



# Ventura County Economic Forecast

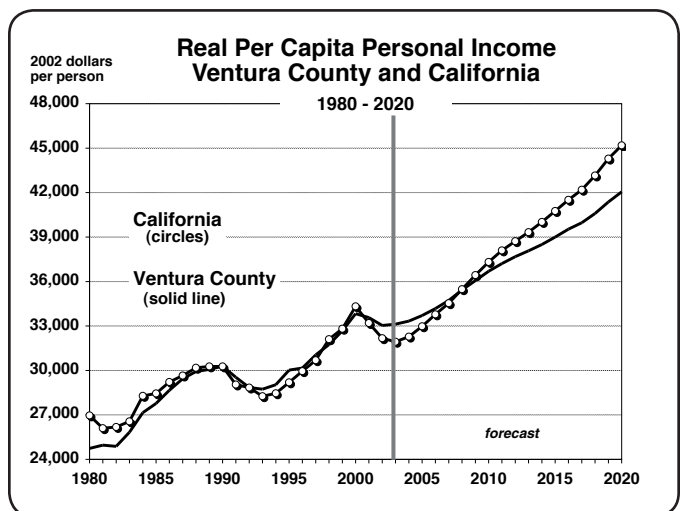
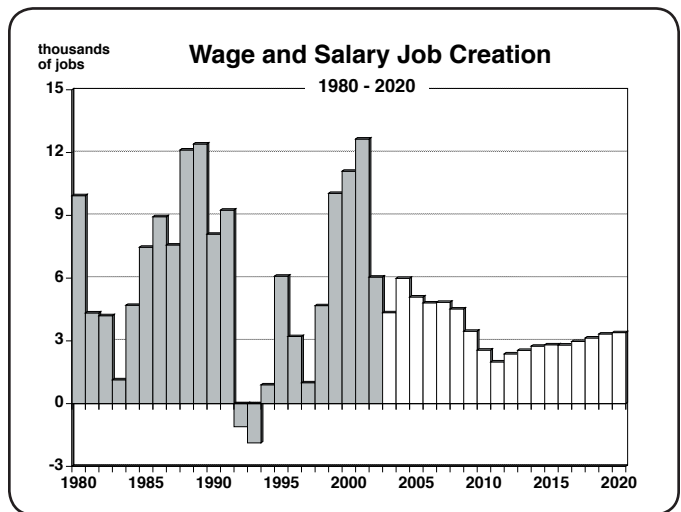
The potential for business growth in Ventura County remains upbeat, despite a dubious year for economic growth in California in 2002. Employment growth squeaked out a 0.3 percent gain in 2002. Income rose 4 percent. Home sales set all time records. Price appreciation for both existing and new homes was absurdly high, averaging 20 percent in many areas of the county. Commercial office market activity was very active, and industrial vacancy remained tight, due to steady demand and a lack of new product.

Residential construction fell again in 2002, to just 2,500 new units. This level of production is clearly inadequate for a population of nearly 800,000. It is no surprise that new home prices surged 22 percent in 2002 to nearly \$600,000 by year's end. Sales of new homes declined 6 percent in 2002, due entirely to the lack of new housing production. Sales of existing homes reached new record levels, but inventory of existing for-sale homes is also tight.

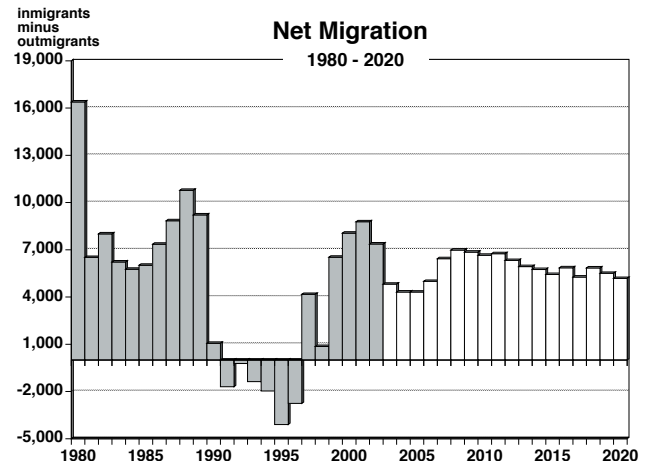
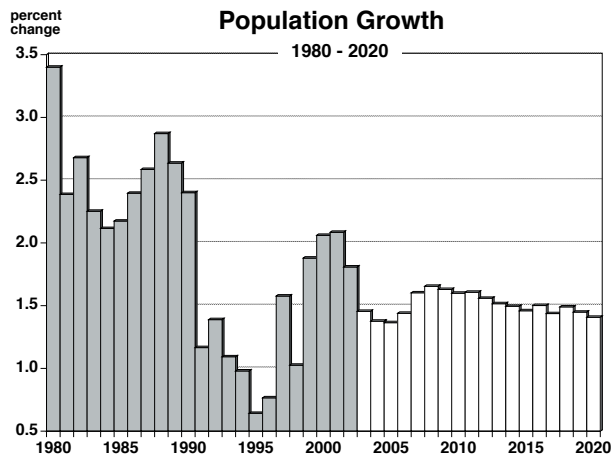
The lack of new residential construction has aggravated an existing scarcity of affordable housing throughout coastal California. Local labor markets will be impacted in the near term future. The forecast for employment growth is moderated by the lack of housing, together with the relative un-affordability of housing. Personal income growth should remain strong, as both retirement age and affluent populations relocate in the county over the next 10 years.

## Forecast Highlights

- Job growth in the Ventura County non-farm sector grew a scant 0.3 percent in 2002. That rate of growth will rise to 1.2 percent in 2003, and 1.6 percent in 2004. Job growth average less than 2.0 percent per year between 2003 and 2008.
- Population growth is not expected to abate much, even though modest levels of net migration are forecast over the next several years. Although home costs are stifling migration based population growth, the principal contributor to local population is the natural rate of growth.
- Income growth averages nearly 3 percent per year between 2003 and 2008. While current incomes are relatively high in Ventura County relative to the state-wide average, this edge may diminish over time, due to greater growth potential elsewhere in California.



- Last year, about 2,540 new homes were permitted in Ventura County. There are enough approved projects to produce more new housing units this year than last. Between 2,500 and 3,000 will be approved. The forecast predicts that residential building will average 2,600 units per year between 2003 and 2007, and about 3,150 units per 2008 and 2012. Residential building does not keep up with population growth; consequently more crowded housing conditions are likely to occur. The majority of new housing activity will occur in Moorpark, Simi Valley, Thousand Oaks, and Oxnard.



## Ventura County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

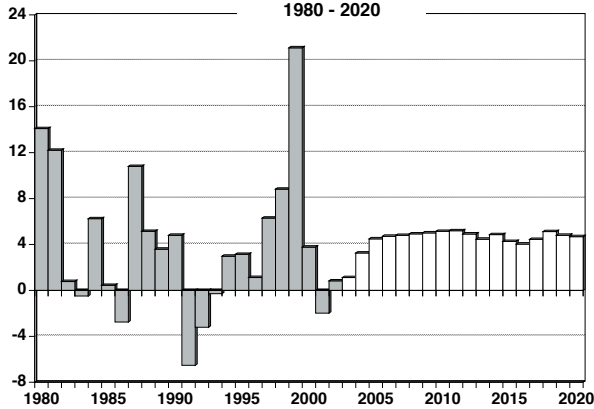
	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	705,100	-4,093	584.6	228	2,166	\$4.4	\$18.0	\$30,025	\$842	\$4.7
1996	710,500	-2,755	593.5	230	2,353	\$4.6	\$18.5	\$30,165	\$912	\$4.7
1997	721,700	4,171	570.2	232	2,316	\$4.9	\$19.7	\$31,047	\$843	\$5.0
1998	729,100	863	607.7	234	3,182	\$5.2	\$20.6	\$31,749	\$930	\$5.5
1999	742,800	6,528	624.6	236	4,442	\$5.9	\$22.1	\$32,675	\$933	\$6.6
2000	758,100	8,059	654.0	243	3,971	\$6.5	\$24.1	\$33,830	\$1,065	\$6.9
2001	773,900	8,779	682.1	247	3,411	\$6.8	\$25.3	\$33,565	\$1,053	\$6.7
2002	787,892	7,372	701.3	251	2,545	\$7.2	\$26.0	\$33,033	\$1,105	\$6.8
2003	799,351	4,819	709.6	253	2,301	\$7.4	\$27.1	\$33,122	\$1,081	\$6.9
2004	810,351	4,322	711.3	256	2,434	\$7.7	\$28.3	\$33,327	\$1,085	\$7.1
2005	821,406	4,317	714.2	258	2,481	\$8.0	\$29.7	\$33,709	\$1,099	\$7.4
2006	833,227	4,996	719.0	260	2,646	\$8.4	\$31.3	\$34,176	\$1,112	\$7.7
2007	846,577	6,438	725.6	263	2,810	\$8.8	\$33.1	\$34,720	\$1,121	\$8.1
2008	860,579	6,982	727.1	266	3,122	\$9.2	\$35.1	\$35,432	\$1,147	\$8.5
2009	874,599	6,855	737.4	268	3,141	\$9.6	\$37.2	\$36,061	\$1,185	\$8.9
2010	888,581	6,655	744.7	271	3,172	\$10.1	\$39.6	\$36,690	\$1,213	\$9.4
2011	902,859	6,755	749.0	274	3,118	\$10.6	\$42.0	\$37,211	\$1,242	\$9.9
2012	916,932	6,325	754.6	277	3,221	\$11.1	\$44.4	\$37,675	\$1,270	\$10.4
2013	930,826	5,933	765.9	280	3,198	\$11.5	\$47.0	\$38,076	\$1,297	\$10.8
2014	944,740	5,747	769.4	284	3,132	\$11.9	\$49.6	\$38,497	\$1,322	\$11.4
2015	958,531	5,434	781.4	286	3,174	\$12.4	\$52.4	\$39,002	\$1,354	\$11.8
2016	972,917	5,859	790.5	290	3,215	\$13.0	\$55.5	\$39,529	\$1,389	\$12.3
2017	986,893	5,273	800.4	293	3,149	\$13.5	\$58.6	\$39,965	\$1,426	\$12.9
2018	1,001,598	5,850	810.3	296	3,207	\$14.1	\$62.0	\$40,594	\$1,459	\$13.5
2019	1,016,103	5,505	821.0	299	3,225	\$14.8	\$65.8	\$41,372	\$1,487	\$14.2
2020	1,030,397	5,181	832.0	302	3,233	\$15.4	\$69.6	\$42,054	\$1,515	\$14.9

- Median selling prices continue to rise over the forecast, but at rates which appear more sustainable (than the 18 percent recorded in 2002) over the next 2 or 3 years. The forecast has median home values rising 5 percent in 2003 and 3 percent in 2004.

average annual  
percent change

### Real Industrial Production

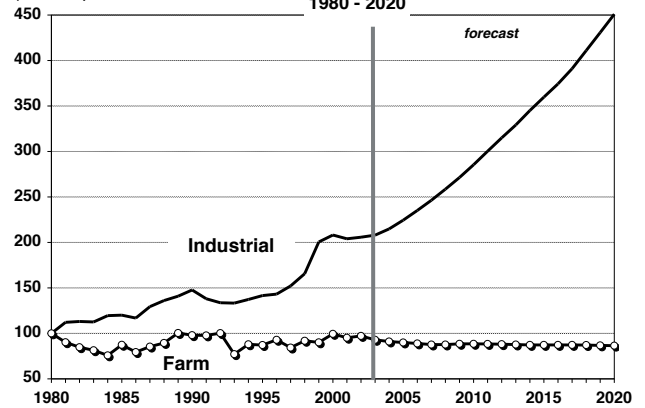
1980 - 2020



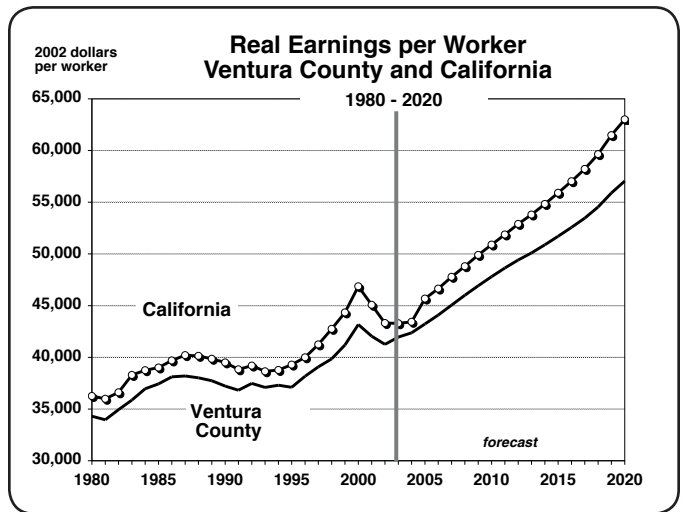
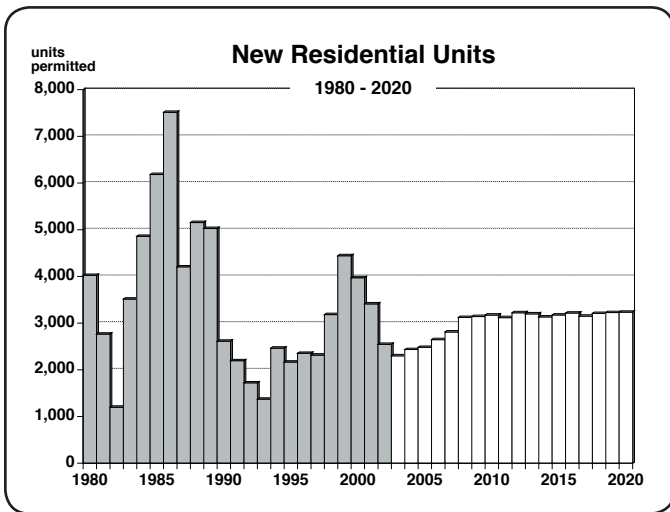
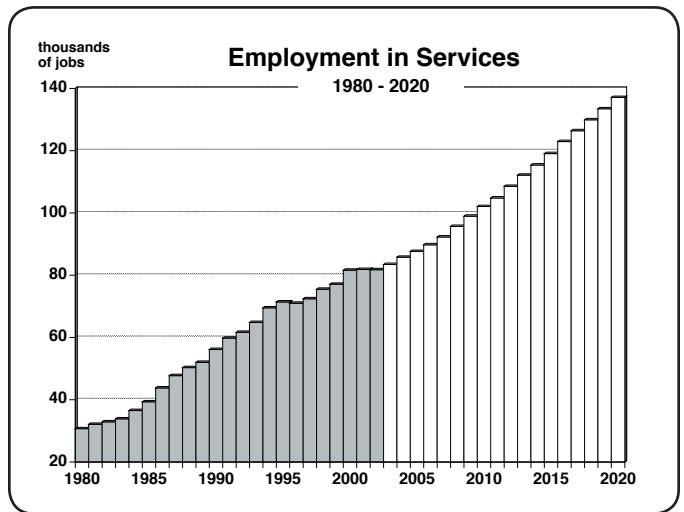
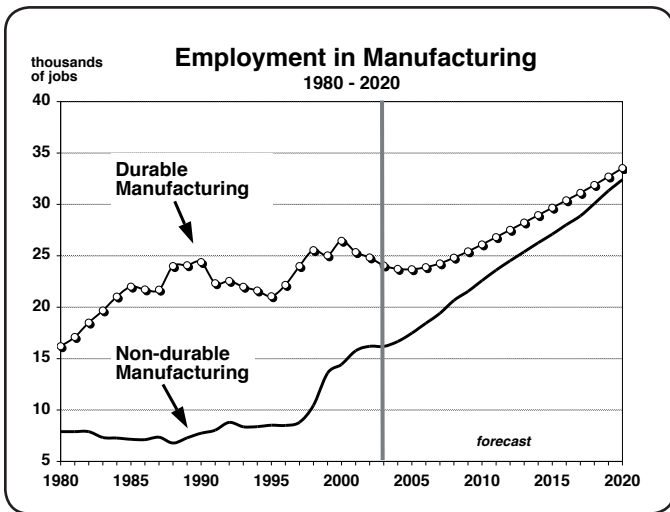
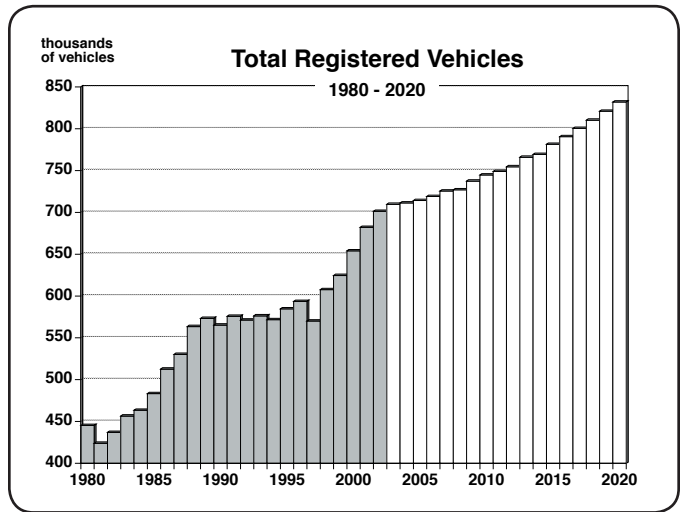
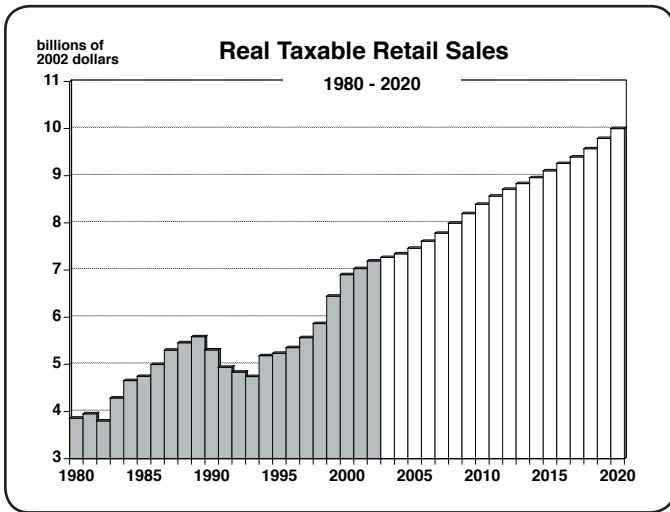
inflation-  
adjusted index  
(1980=100)

### Industrial and Farm Production Indices

1980 - 2020



Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
254.3	17.0	11.0	2.0	29.6	10.3	58.1	12.0	71.4	43.0
255.3	17.5	10.5	1.7	30.7	9.7	59.1	11.7	71.0	43.4
260.0	17.3	11.1	1.5	32.8	9.7	59.2	12.6	72.4	43.3
270.0	17.7	12.7	1.3	36.0	10.6	59.7	13.6	75.5	43.1
281.2	17.5	14.5	1.0	38.6	11.5	62.1	14.9	77.1	43.9
293.8	19.6	15.1	0.9	40.9	11.3	64.4	15.5	81.6	44.6
302.5	22.3	15.5	0.9	41.1	11.0	66.4	18.1	81.8	45.3
303.2	22.3	14.9	0.9	41.0	11.0	66.7	18.8	81.8	45.7
306.7	22.3	14.4	1.0	40.2	11.2	68.1	19.8	83.4	46.1
311.3	22.4	14.4	1.0	40.4	11.3	69.4	19.9	85.8	46.7
316.0	22.4	14.5	1.1	41.2	11.5	70.5	19.8	87.6	47.4
321.5	22.4	14.8	1.1	42.3	11.6	71.6	19.8	89.8	48.1
327.6	22.4	15.1	1.2	43.7	11.8	72.7	19.6	92.3	48.9
335.3	22.4	15.5	1.2	45.5	12.1	73.7	19.5	95.7	49.7
342.4	22.5	15.8	1.2	47.0	12.3	74.8	19.3	98.9	50.6
349.7	22.5	16.1	1.2	48.7	12.6	75.8	19.2	102.1	51.6
356.6	22.5	16.4	1.2	50.4	12.9	76.8	19.1	104.8	52.5
364.4	22.5	16.6	1.2	52.0	13.3	77.7	19.1	108.5	53.5
371.8	22.5	16.7	1.2	53.6	13.6	78.6	19.1	112.1	54.4
378.9	22.6	16.9	1.3	55.2	13.9	79.4	19.1	115.4	55.3
386.4	22.6	17.0	1.3	56.8	14.2	80.2	19.2	119.1	56.1
394.1	22.6	17.2	1.3	58.4	14.6	81.0	19.2	122.9	57.0
401.4	22.6	17.3	1.2	60.0	14.9	81.7	19.3	126.4	57.9
409.1	22.6	17.5	1.2	62.0	15.2	82.5	19.4	129.9	58.9
416.9	22.7	17.5	1.2	64.0	15.5	83.2	19.4	133.4	59.9
424.8	22.7	17.6	1.2	65.9	15.8	84.0	19.5	137.1	60.9



# Yolo County Economic Forecast

Yolo's economic base is dominated by the government and services industries. Government accounted for 34 percent of the total employment in 2002, with over 31,000 jobs. Within government, the majority of growth is expected to continue to concentrate in state and local government. The University of California, Davis is Yolo County's largest employer, translating into many present and future jobs for the labor force, which will expand at faster rates of growth during the latter part of the decade.

The non-durable manufacturing sector is principally comprised of food processing activities. However, since 1999, two tomato packing plants and a sugar refining operation closed. The food manufacturing sector lost 600 jobs, and is currently at the lowest level of employment in over 15 years. While this sector is not likely to rise to create jobs rapidly over the next several years, Yolo County will remain an important agricultural area for food processing, especially seeds.

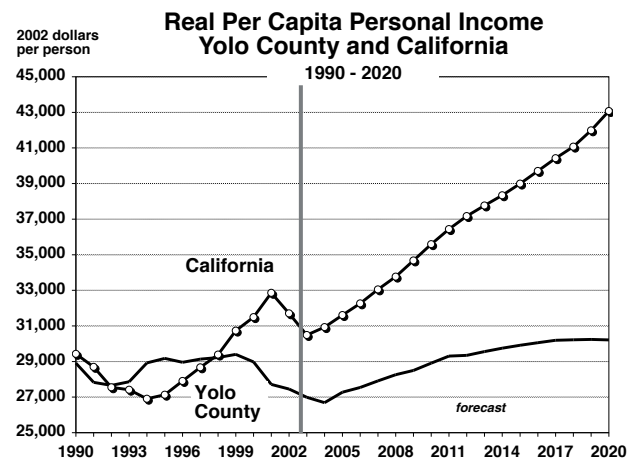
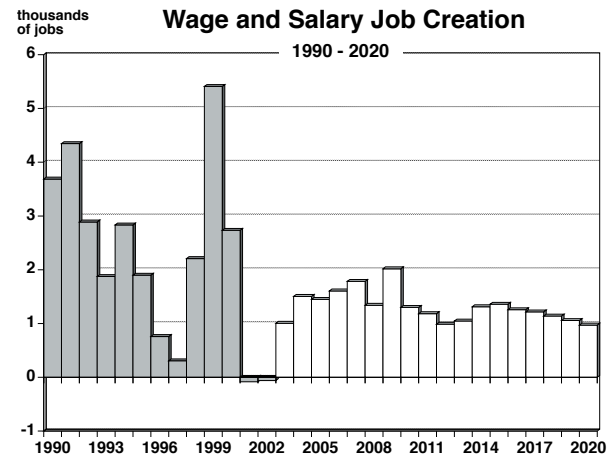
## Population • January 2003

City	Population	2002-2003 % change
Davis	64,300	1.6
Woodland	51,000	1.2
West Sacramento	36,550	5.9
<b>Total County</b>	<b>181,300</b>	<b>2.8</b>

Biotechnology is emerging as a strong new employment sector in the county, partly due to the presence of UC Davis and the county's proximity to the San Francisco Bay Area. The agriculture, life sciences, and bio-tech programs at the university have contributed to attracting a growing cluster of biotechnology and research firms.

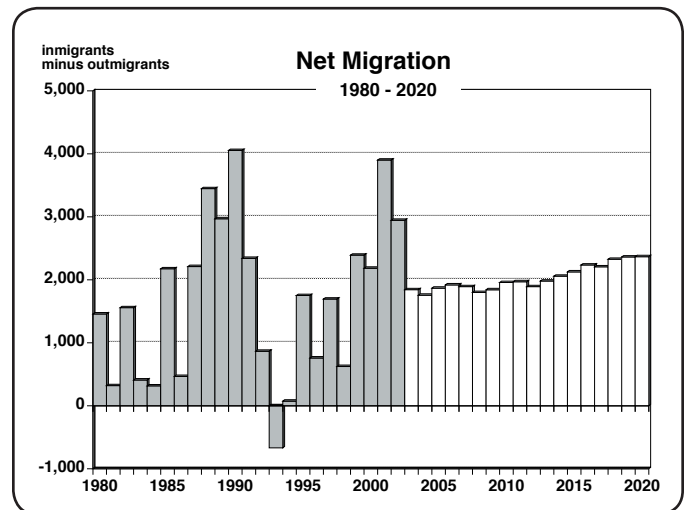
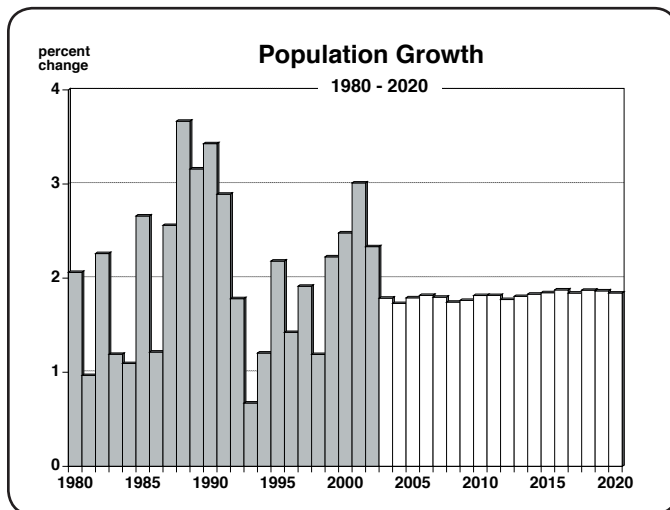
## Forecast Highlights

- Forecast for Population: Net migration into the region averages 1,845 persons per year for the next 5 years. Population growth decelerates slightly from 2.2 percent between 1997 and 2002 to 1.8 percent per year between 2003 and 2008.
- Forecast for Employment: 1,000 new wage and salary jobs are created in 2003. A total of 7,700 jobs are created between 2003 and 2008. The compound rate



of growth between 2003 and 2008 is 1.6 percent per year. The unemployment rate is forecast to remain in a range of between 4.0 and 4.6 percent for the next several years.

- Forecast for Personal Income: Total inflation-adjusted personal income rises an average of 2.7 percent per year between 2003 and 2008. This compares to an average per year increase of 1.1 percent in real personal income between 1997 and 2002. Real per capita personal income increases 0.9 percent per year over the next 5 years.



## Yolo County Economic Forecast

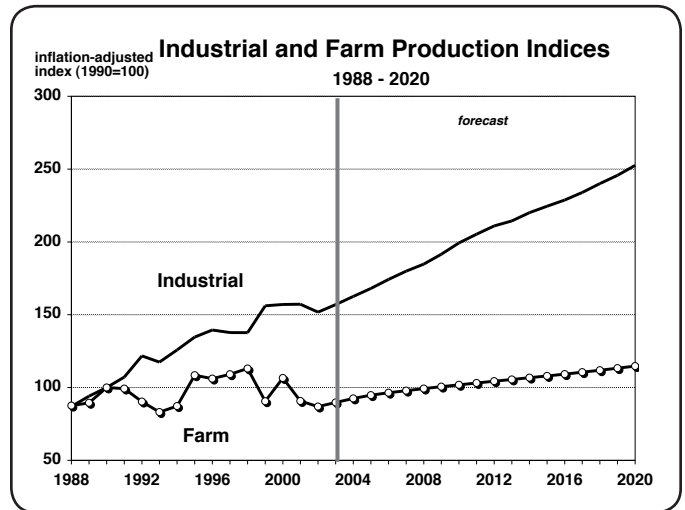
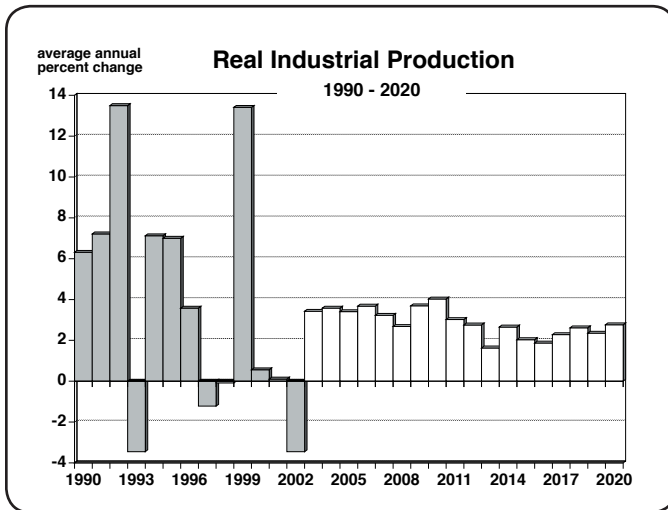
### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	154,600	1,750	125	54.2	709	\$0.9	\$3.5	\$29,172	\$299	\$1.6
1996	156,800	759	126	54.9	798	\$1.0	\$3.6	\$28,957	\$300	\$1.7
1997	159,800	1,694	128	55.5	714	\$1.0	\$3.9	\$29,131	\$319	\$1.7
1998	161,700	624	123	56.2	1,591	\$1.1	\$4.1	\$29,223	\$340	\$1.7
1999	165,300	2,391	132	57.0	1,465	\$1.2	\$4.3	\$29,403	\$284	\$1.9
2000	169,400	2,184	136	57.7	1,216	\$1.4	\$4.6	\$28,975	\$349	\$1.9
2001	174,500	3,900	140	59.2	1,300	\$1.4	\$4.8	\$27,716	\$314	\$1.9
2002	178,573	2,944	144	60.5	1,325	\$1.4	\$4.9	\$27,453	\$305	\$1.8
2003	181,763	1,843	148	62.0	1,307	\$1.4	\$5.0	\$26,991	\$323	\$1.9
2004	184,909	1,755	152	63.0	1,333	\$1.5	\$5.2	\$26,687	\$342	\$2.0
2005	188,221	1,866	156	64.0	1,351	\$1.5	\$5.6	\$27,274	\$361	\$2.0
2006	191,640	1,919	159	65.3	1,339	\$1.6	\$5.9	\$27,544	\$377	\$2.1
2007	195,084	1,891	161	66.5	1,356	\$1.6	\$6.2	\$27,912	\$393	\$2.2
2008	198,489	1,799	164	67.6	1,301	\$1.7	\$6.6	\$28,256	\$409	\$2.2
2009	201,989	1,841	167	68.7	1,268	\$1.7	\$6.9	\$28,498	\$425	\$2.3
2010	205,655	1,956	171	69.6	1,278	\$1.8	\$7.3	\$28,906	\$442	\$2.4
2011	209,390	1,969	175	70.5	1,255	\$1.8	\$7.8	\$29,305	\$460	\$2.5
2012	213,101	1,891	177	71.7	1,208	\$1.9	\$8.2	\$29,349	\$479	\$2.5
2013	216,949	1,980	179	72.9	1,220	\$2.0	\$8.6	\$29,560	\$499	\$2.6
2014	220,918	2,057	182	73.9	1,244	\$2.0	\$9.1	\$29,747	\$519	\$2.6
2015	224,993	2,125	184	75.2	1,248	\$2.1	\$9.6	\$29,914	\$539	\$2.7
2016	229,211	2,235	186	76.5	1,250	\$2.2	\$10.1	\$30,056	\$560	\$2.8
2017	233,431	2,205	189	77.7	1,227	\$2.2	\$10.6	\$30,193	\$584	\$2.8
2018	237,800	2,326	193	78.7	1,201	\$2.3	\$11.1	\$30,222	\$608	\$2.9
2019	242,234	2,362	196	79.7	1,143	\$2.4	\$11.6	\$30,242	\$632	\$3.0
2020	246,696	2,366	198	80.6	1,078	\$2.5	\$12.2	\$30,217	\$657	\$3.0

- **Forecast for Average Salaries:** The average salary per worker in 2002 was \$36,300. Salaries rise an average of 0.8 percent per year during the decade. Average salaries are higher in Sacramento County than in Yolo County.

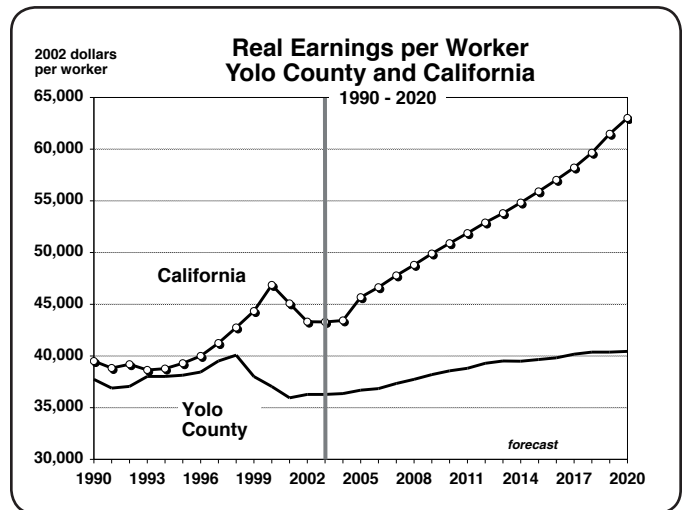
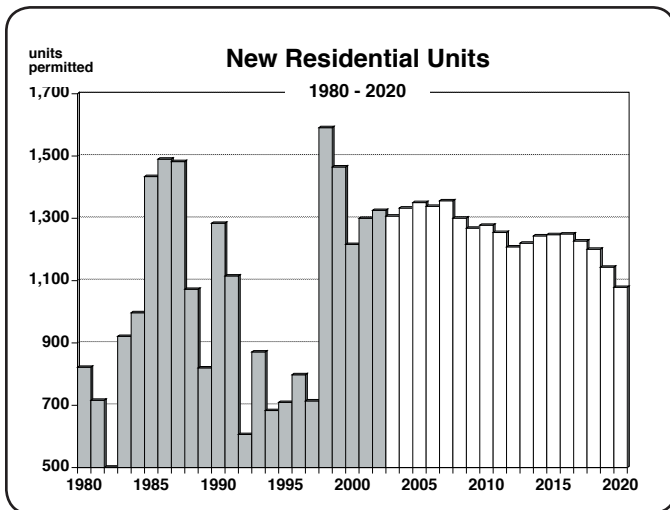
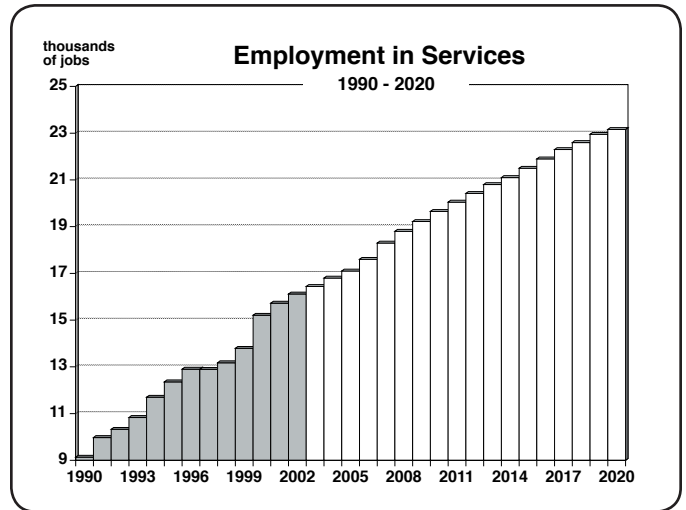
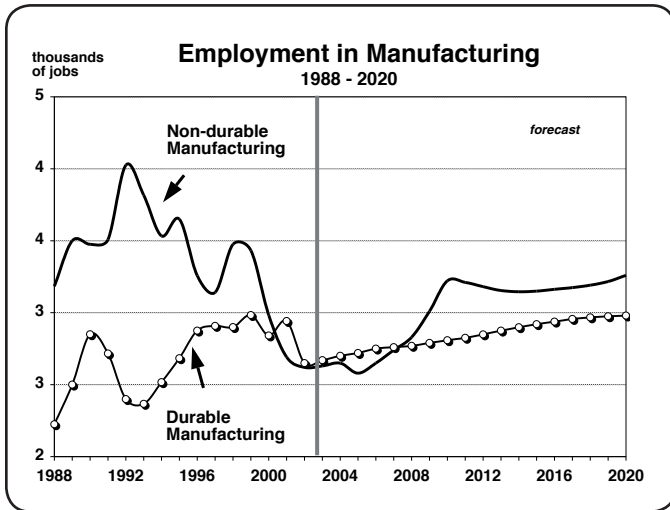
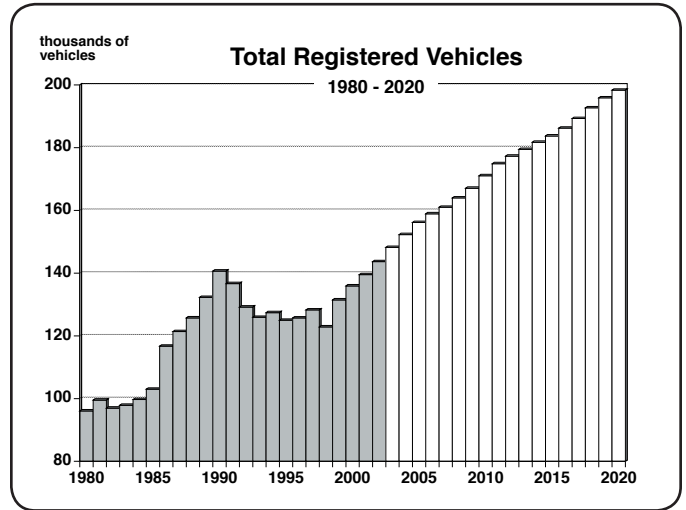
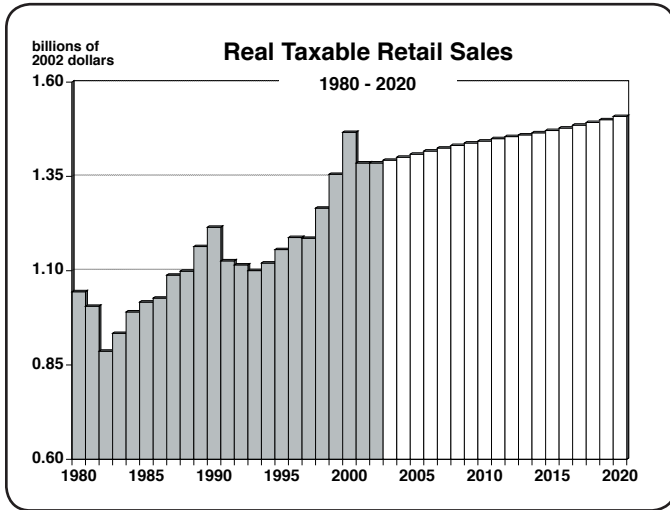
- **Forecast for Housing:** An average of 1,340 residential units are permitted per year over the next 5 years. This is a 5 percent increase in housing production compared to the previous 5 year period when an average of 1,268 units were permitted per year in Yolo County.





Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
					employment (jobs)				
80.8	5.0	2.8	0.2	6.3	6.3	19.5	3.1	12.4	25.3
81.6	5.3	3.0	0.2	6.1	6.6	19.2	3.0	12.9	25.3
81.9	5.1	3.3	0.2	6.1	6.3	19.6	3.1	12.9	25.3
84.1	4.8	3.5	0.2	6.4	6.1	20.3	3.4	13.2	26.2
89.5	4.9	4.0	0.2	6.4	6.0	21.7	5.1	13.8	27.5
92.2	4.9	4.3	0.2	5.8	6.3	21.8	4.5	15.2	29.3
92.2	4.2	4.3	0.3	5.6	6.3	21.7	3.6	15.7	30.3
92.1	3.8	4.3	0.4	5.3	5.9	21.1	3.7	16.1	31.6
93.1	3.8	4.2	0.4	5.3	6.0	21.3	3.9	16.4	31.8
94.6	3.9	4.3	0.4	5.4	6.1	21.4	3.9	16.8	32.4
96.1	4.0	4.3	0.4	5.3	6.1	21.6	4.0	17.1	33.2
97.7	4.1	4.4	0.4	5.4	6.2	21.7	4.1	17.6	33.8
99.4	4.2	4.4	0.4	5.5	6.2	21.8	4.1	18.3	34.5
100.8	4.3	4.5	0.4	5.6	6.3	21.9	4.1	18.8	34.9
102.8	4.4	4.4	0.4	5.8	6.3	21.9	4.1	19.2	35.3
104.1	4.5	4.4	0.4	6.0	6.4	22.0	4.0	19.7	35.7
105.3	4.5	4.4	0.4	6.0	6.4	22.1	4.0	20.1	36.4
106.3	4.6	4.4	0.4	6.0	6.4	22.1	4.0	20.4	37.0
107.3	4.6	4.3	0.4	6.0	6.4	22.1	3.9	20.8	37.6
108.6	4.7	4.4	0.4	6.1	6.4	22.2	3.9	21.1	38.5
110.0	4.7	4.4	0.4	6.1	6.5	22.2	3.9	21.5	39.3
111.3	4.8	4.4	0.4	6.1	6.5	22.3	3.9	21.9	40.0
112.5	4.8	4.4	0.4	6.1	6.5	22.3	3.9	22.3	40.8
113.6	4.8	4.4	0.4	6.2	6.5	22.3	3.9	22.6	41.5
114.7	4.8	4.3	0.4	6.2	6.5	22.3	3.9	23.0	42.3
115.6	4.9	4.1	0.4	6.2	6.5	22.4	3.8	23.2	43.1

- **Home Prices:** Selling prices for housing are relatively affordable in the greater Sacramento region. The median price in 2002 was \$231,344. Home values are forecast to rise 2 to 3 percent per year, adjusted for inflation. The unadjusted appreciation rate is 5 to 6 percent per year.



# Yuba County Economic Forecast

Yuba County, together with neighboring Sutter County, constitute the Yuba City Metropolitan Statistical Area.

In January 2003, Yuba County's population stood at 62,800, an increase of 1.6 percent over the 2002 population estimate. The largest city within the county, Marysville, is also the county seat and one of California's historic cities dating back to the Gold Rush era. Commercial, agricultural, recreational, educational and industrial activities for the Yuba- Sutter area are centered in Marysville and at present, 20 percent of all county residents reside there. The population in Yuba County is projected to reach nearly 72,000 by the year 2010, an increase of 15 percent.

Traditionally, agricultural counties like Yuba have higher unemployment rates due in part to the seasonal variations in employment. The 2002 annual average unemployment rate was 13.2 percent. The state's rate for the 2002 was 6.6 percent. However, Yuba County's unemployment rate declined four of the last five years.

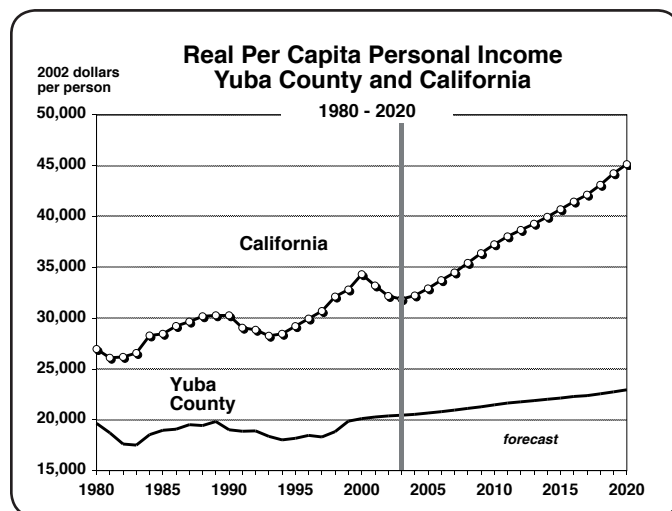
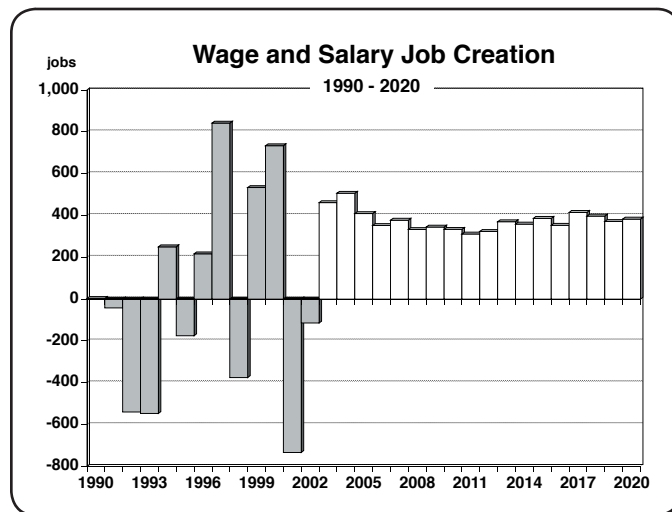
Government, the largest industry in Yuba County, accounts for over 40 percent of total employment, with most of the current jobs in local government. Beale Air Force Base, which covers nearly 23,000 acres in the county, accounts for a majority of the civilian federal government employment. The government sector is expected to add more than 700 jobs over the next 5 years.

Services, another significant industry, accounts for 19 percent of total employment. Within services, 38 percent of the jobs are in health services. Current industry projections indicate services will add more than 600 jobs between 2003 and 2008, an increase of 19 percent.

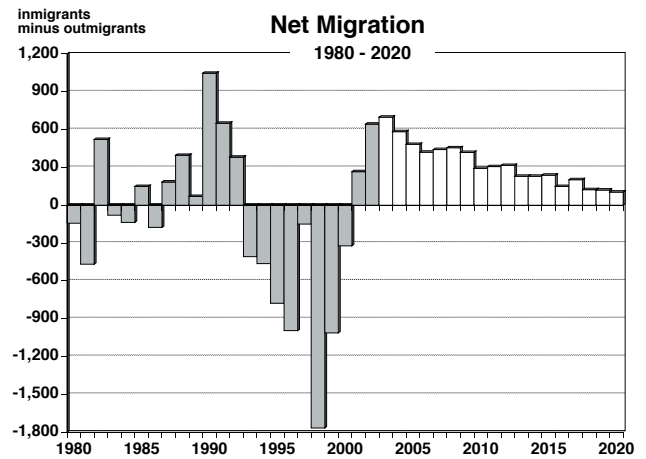
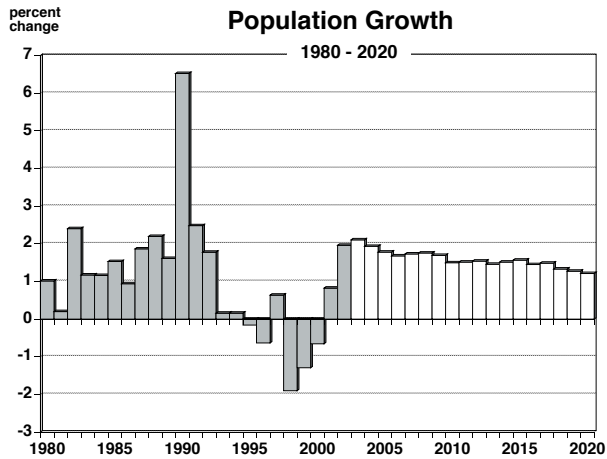
Much of the land in Yuba County is devoted to agriculture, which accounts for 7.7 percent of all employment. A variety of crops are produced including rice, peaches, walnuts, and prunes. Cattle is also a leading commodity. Retail trade accounts for another 15 percent of the county's employment, with a majority of the jobs in restaurants and food stores. Retail trade is projected to add 540 jobs during the next 5 years.

## Forecast Highlights

- Non-farm job growth rises 2.1 percent per year over the next 5 years. The principal sector of growth occurs in services, averaging 3.2 percent per year. The government sector is forecast to create jobs at an average annual rate of 1.5 percent between 2003 and 2008.



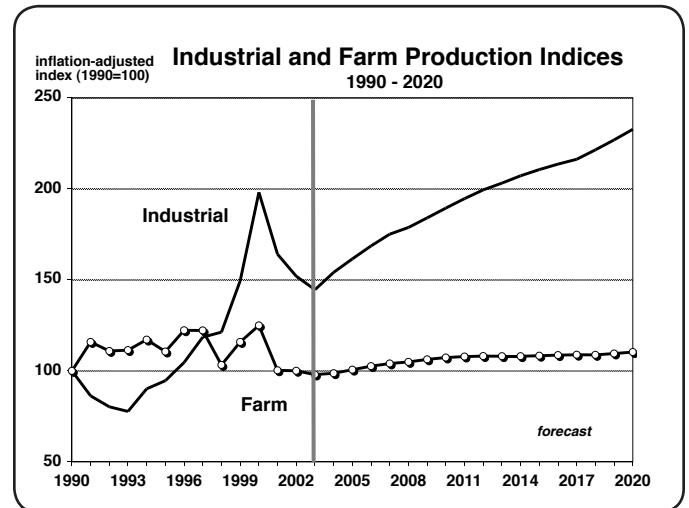
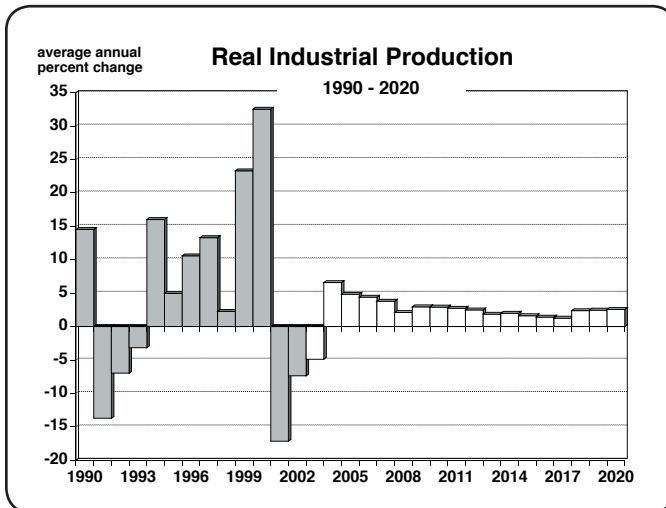
- Inflation-adjusted per-capita income increases 0.7 percent per year between 2003 and 2008. Total real personal income rises an average of 2.4 percent per year over the next 5 years.
- On the strength of greater fertility and positive net immigration forecast over the next 5 years, the growth in population increases to 1.8 percent per year.
- There is a slowdown in registered vehicles in Yuba County, due in part to the changing composition of the population. The number of vehicles grows an average of 1.4 percent per year, versus 3.8 percent per year during the 1997 to 2002 period.



## Yuba County Economic Forecast

### 1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	63,100	-778	50,930	21.2	120	\$221.6	\$0.9	\$18,181	\$120.8	\$368.0
1996	62,700	-995	51,016	21.2	118	\$224.9	\$0.9	\$18,472	\$136.6	\$407.0
1997	63,100	-150	47,265	21.2	139	\$227.2	\$1.0	\$18,309	\$141.3	\$461.1
1998	61,900	-1,767	49,359	21.4	153	\$221.2	\$1.0	\$18,840	\$123.1	\$471.6
1999	61,100	-1,013	50,764	21.6	221	\$244.5	\$1.1	\$19,861	\$144.0	\$581.5
2000	60,700	-322	52,860	20.5	84	\$268.9	\$1.1	\$20,118	\$162.3	\$770.5
2001	61,200	266	55,196	20.7	210	\$254.0	\$1.2	\$20,274	\$137.3	\$638.3
2002	62,400	643	56,947	20.8	376	\$253.1	\$1.3	\$20,380	\$139.1	\$591.3
2003	63,715	698	58,846	21.1	263	\$263.2	\$1.3	\$20,457	\$139.7	\$562.4
2004	64,947	583	60,074	21.4	262	\$275.4	\$1.4	\$20,532	\$144.6	\$599.4
2005	66,103	483	60,994	21.6	267	\$295.3	\$1.5	\$20,666	\$151.6	\$628.4
2006	67,214	420	61,799	21.9	265	\$314.6	\$1.6	\$20,798	\$158.8	\$656.0
2007	68,378	441	62,513	22.2	279	\$332.4	\$1.6	\$20,960	\$165.2	\$681.0
2008	69,580	456	63,177	22.5	283	\$350.9	\$1.7	\$21,125	\$171.0	\$695.3
2009	70,758	418	63,824	22.8	290	\$366.5	\$1.8	\$21,280	\$177.8	\$715.8
2010	71,818	292	64,445	23.1	277	\$380.8	\$1.9	\$21,474	\$184.4	\$736.7
2011	72,907	306	65,065	23.3	275	\$399.3	\$2.0	\$21,650	\$190.7	\$757.0
2012	74,031	316	65,658	23.6	271	\$416.7	\$2.1	\$21,767	\$196.6	\$775.8
2013	75,111	230	66,225	23.9	268	\$433.1	\$2.2	\$21,888	\$202.2	\$790.2
2014	76,249	230	66,798	24.2	269	\$449.7	\$2.3	\$22,018	\$207.9	\$805.9
2015	77,445	238	67,402	24.4	267	\$467.4	\$2.4	\$22,143	\$214.1	\$819.0
2016	78,568	149	68,023	24.7	253	\$487.2	\$2.6	\$22,290	\$220.8	\$830.7
2017	79,735	203	68,645	25.0	255	\$506.4	\$2.7	\$22,383	\$227.7	\$841.2
2018	80,796	123	69,309	25.2	248	\$528.8	\$2.8	\$22,559	\$234.0	\$861.1
2019	81,826	120	69,985	25.5	244	\$551.1	\$3.0	\$22,754	\$242.1	\$882.3
2020	82,817	104	70,645	25.7	241	\$571.6	\$3.1	\$22,948	\$250.2	\$905.0



Total Wage & Salary	Farm	Mining & Construction	Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----								
16,383	2,050	650	1,142	750	2,858	583	2,850	5,500
16,600	2,392	667	1,242	717	2,708	558	3,000	5,317
17,442	2,792	758	1,350	667	2,608	542	3,175	5,550
17,067	1,900	817	1,375	742	2,417	500	3,183	6,133
17,600	2,100	808	1,400	750	2,417	467	3,158	6,500
18,333	2,000	1,083	1,517	792	2,533	342	3,392	6,675
17,600	1,500	892	1,308	725	2,542	275	3,367	6,992
17,486	1,358	799	1,231	713	2,610	260	3,265	7,249
17,947	1,564	710	1,264	698	2,720	268	3,318	7,404
18,453	1,599	761	1,311	705	2,830	269	3,454	7,524
18,862	1,627	781	1,336	717	2,910	267	3,578	7,647
19,214	1,650	798	1,354	734	2,970	265	3,681	7,763
19,592	1,670	804	1,367	744	3,080	268	3,785	7,873
19,925	1,686	813	1,378	752	3,150	274	3,886	7,986
20,269	1,701	821	1,383	754	3,240	278	3,990	8,102
20,602	1,713	826	1,385	752	3,330	284	4,096	8,216
20,914	1,724	830	1,385	751	3,390	292	4,202	8,339
21,237	1,733	834	1,387	750	3,450	300	4,298	8,485
21,607	1,740	837	1,390	743	3,550	308	4,385	8,654
21,966	1,746	843	1,393	735	3,630	315	4,465	8,839
22,352	1,750	849	1,395	741	3,710	321	4,548	9,038
22,705	1,754	853	1,394	751	3,750	328	4,632	9,242
23,120	1,758	860	1,392	755	3,860	334	4,721	9,440
23,517	1,760	868	1,391	761	3,940	339	4,816	9,642
23,888	1,763	877	1,387	769	4,000	345	4,909	9,839
24,271	1,766	880	1,385	776	4,080	350	5,000	10,034

